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GETTING THERE:

THE INTERIM

REPORT OF

THE ROYAL

COMMISSION

ON NATIONAL

PASSENGER

TRANSPORTATION



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Royal Commission on
National Passenger
Transportation



Commission royale sur le
transport des voyageurs
au Canada

TO HIS EXCELLENCY
THE GOVERNOR GENERAL IN COUNCIL

MAY IT PLEASE YOUR EXCELLENCY

We, the Commissioners appointed by Order in Council, dated October 19, 1989, to inquire into and report upon a national integrated intercity passenger transportation system to meet the needs of Canada and Canadians in the 21st century and to ensure that transportation links among Canada's regions and communities are maintained and improved: Beg to submit to your Excellency this Interim Report.

Louis D. Hyndman

Louis D. Hyndman, Chairman

Marie-Josée Drogin
Marie-Josée Drogin, Vice-Chair

Susan Fish
Susan Fish

Marc Gaudry
Marc Gaudry

John B. Hamilton
John B. Hamilton, Q.C.

John F. Helliwell
John F. Helliwell, O.C.

William P. Kelly
William P. Kelly, C.M.

Maurice LeClair
Maurice LeClair, C.C.

James D. McNiven
James D. McNiven

April, 1991
Ottawa, Canada

FOREWORD

This Royal Commission interim report presents a snapshot of our progress to date; its purpose is to educate, to stimulate discussion and to share with Canadians our impressions and perceptions at this stage of our work.

The Commissioners are acutely aware of the huge task they face. Canada has changed dramatically since the MacPherson Royal Commission issued its report on transportation thirty years ago. Our mandate is unique because we are the first Royal Commission to focus primarily on passenger issues and concerns, and the first to look at all the ways that Canadians travel — planes, trains, cars, buses and ferries.

Every Commissioner felt privileged in having had the opportunity to travel to all corners of this great land during the public hearings. It was an exhaustively exciting experience. We listened, we probed and we pondered. From the heart and soul of Canada we learned of the expectations of Canadians, and of their optimism and vision of what this remarkable and diverse country can be. We can say with certainty and unanimity that Canadians care deeply about this country and where it is going.

We realize that this interim report is released at a time when Canada and much of the world are in a state of rapid change and even turmoil. Because Canada is an integral part of the world community, adaptation and flexibility will be the watchwords of the years ahead. Now, more than ever, guideposts that are known and understood are needed. Clear and consistent principles, made in Canada, will help to show the way.

So, rather than focussing on today's specific passenger transportation projects, we see our next task as devising a set of passenger transportation principles that are enduring enough to be passed on to our children. Then we will flesh out the framework for the laws, regulations and institutions that flow from these principles, bearing in mind Canada's unique geography, economic structure and traditions — as well as the hopes, fears, aspirations and dreams of Canadians. Such a framework can provide the foundation for passenger transportation policies for the next thirty years. While good policy by itself cannot give us the passenger transportation system that we need in the 21st century, bad policy can put it out of reach.

We welcome thoughtful and constructive criticism. What is your opinion of this interim report? As Milton once noted: "Where there is much desire to learn, there of necessity will be much arguing, much writing, many opinions; for opinion of good men [and women] is but knowledge in the making." Where do you think we are right and where do you think we are wrong?

The final phase of our work has already begun: our goal is to develop recommendations that will endure well into the 21st century, and that will set the stage for the best passenger transportation policies over the next thirty years.



Louis D. Hyndman
Chairman

Spring 1991

ACKNOWLEDGEMENTS

The Royal Commission on National Passenger Transportation wishes to acknowledge and thank the people of Canada who took time out of their busy schedules to prepare submissions, or write or telephone us with their comments and thoughts, and who appeared at our public hearings across the country.

We received the utmost cooperation during our program of public consultations and informal meetings. Issues were carefully considered. There was a very real desire on everyone's part to contribute to national public policy making.

From the beginning of our mandate, the Commissioners sought the advice of experts in various fields and, to this day, have benefitted from their expertise and their ongoing commitment to the work of this Royal Commission. We would like to acknowledge the contribution that our Special Advisors made to the production of this interim report. Their names are listed in Appendix D.

In addition, we would like to acknowledge the consultants who responded to our information needs during the past year. Their knowledge, experience and ability to meet tight deadlines with comprehensive and incisive reports were instrumental in bringing us to the point where this interim report could be written. We would, therefore, like to note their important contribution, and to extend our thanks, in particular, to the following: IBI Group; SECOR Inc.; Angus Reid Group; J. Phillip Nicholson Inc.; and Barakat & Chamberlin. We would be remiss if we did not also recognize the exceptional contribution made by The PASS Group in developing our content-analysis data base; Farr & Associates Reporting Inc., for producing high-quality transcripts of our public

hearings; and the Department of the Secretary of State, for the interpretation and translation personnel assigned to this Royal Commission.

One very important document that assisted in guiding us through this project, and from which we have drawn heavily for our interim report, is *Canadian Transportation: Origins, Perspectives and Prospects*, written by John Gratwick and published in 1989 by Transport Canada. This report, and our discussions with John Gratwick, have been invaluable in providing us with a record of the evolution of Canada's current transportation system. We also extend our thanks to the knowledgeable and experienced staff of Transport Canada who were so helpful in providing us with information, often on a moment's notice.

To assist us with the task of integrating the wealth of information obtained through our public consultation and research programs, we engaged the writing and editing services of Astroff Corkum Ross Associates Inc. We would, therefore, particularly like to acknowledge the tireless efforts and dedication of those writers and editors supplied by Nadja Corkum, President of Astroff Corkum Ross Associates Inc.

Finally, the Commissioners wish to note that accomplishing the task set out before us would have been impossible without our extremely competent and dedicated staff. We wish to acknowledge and praise the high calibre of assistance that we received from all of our staff, including research, policy, public consultation, communications, administrative services and secretarial and clerical personnel. Their names are listed in Appendix D; our thanks go to them all.

It is always difficult to single out particular contributors in light of the extraordinary efforts of so many, but we would like to express our special gratitude to the senior officers of this Commission for their individual contributions: Dr. Janet R. Smith, Executive Director; Sherry Hudon, Executive Assistant to the Executive Director; John Sargent, Director of Research; Brian Johnson, Director of Policy and Planning; Denise Ommanney, Director of Public Consultation; Guy Brazeau, who was in charge of the briefing books for the public hearings; Linda Bergeron, Director of Communications; and Nina-Maria Butcher, Director of Administrative Services, who also suggested the title for this report. We would also like to thank Jérôme Moisan for his work on the French text.

Our special thanks also go to Sherry Hudon, Chantal Simard and André Turgeon for their exceptional efforts in entering into the computer the many drafts of this interim report.

CHAPTER I

WHY A ROYAL COMMISSION ON PASSENGER TRANSPORTATION?

OUR MANDATE

In Canada, where transportation is an essential and vital part of the Canadian way of life, an intricate system of highways, airways, railways and waterways crisscrosses the country. This system reaches into remote areas, breaks down the barriers of regionalism and creates opportunities for communication. It brings people together for business and pleasure by connecting city to city, region to region, and ultimately, the nation to the rest of the world.

Travel is important to Canadians. In 1988, they took at least 133 million intercity domestic trips,¹ travelling at least 81 billion kilometres by five modes of transportation — car, airplane, bus, train and ferry. This is roughly five trips and 3,240 kilometres per person. Canadians spend billions of dollars annually on passenger transportation, from the purchase of cars to the payment of taxes that fund, among other things, transportation investments.

Canada's present passenger transportation system is complex, involving players from every part of society: individuals, private-sector companies, governments at all levels, and Crown corporations. Governments own, operate, subsidize, regulate, monitor and license various forms of passenger transportation. Private-sector companies operate many carriers, such as airline and bus companies, and in some cases own transportation infrastructure, such as railway tracks. Individuals operate and maintain cars, the most frequently used mode of transportation in the country. Setting out on a vacation,

¹ Same-day or overnight travel of 80 km or more. Source: Statistics Canada. See discussion of travel data in Chapter III.

travellers may drive on a highway built by the provincial government and partially financed by provincial taxpayers, to an airport built and operated by the federal government and partially financed by all Canadian taxpayers, to take an airplane that is owned and totally financed by a private-sector company.

Transportation policies in the past have generally focussed on one mode of transportation at a time. Changes came in stages, often as a result of the public and economic pressures of the day. This is still true today, when passenger transportation is facing new challenges. For example, the proportion of older people in the population is increasing, while the proportion of younger people is decreasing. This may have a profound effect on the demand for passenger transportation. Will senior citizens use fewer cars and more public transportation? Will smaller families travel differently from the larger families of the past?

Technological changes may also alter the way people travel. Computerization, new materials and alternative energy sources, if used wisely, may increase speed, improve safety conditions, reduce energy consumption, address environmental concerns and make travel more comfortable.

Environmental considerations have also become a major concern for future transportation policies. Passenger transportation currently depends on petroleum products, gasoline and diesel fuel, and therefore has a major impact on the environment. In 1989, about 29 percent of total energy consumed in Canada, and 64 percent of all petroleum consumed, was for transportation purposes. Canadians are worried about air and noise pollution, traffic congestion and accidents, and the impact of transportation on land use and urban sprawl.

In general, Canadians believe they have been well served by their passenger transportation system, but as travel needs evolve, pressure to improve existing means of travel and to invest in new projects is created. These investments could be large, and choices must be made.

Canadians share many expectations for the passenger transportation system. They told us that they want the best value for their money: a system that will move them quickly, safely and comfortably, in a way that is environmentally friendly. Since travel is a significant element in their lives, Canadians want a passenger transportation system that is accessible. People from all walks of life and from all regions of the country say they want reasonable access to public transportation so that they can have the freedom to travel when and where they wish. They differ, however, on how these expectations should be met. Despite the interrelationship of road, air, rail and marine travel, there is no common view on how these various modes of transportation should be integrated.

The Commission will inquire into and report upon a national integrated intercity passenger transportation system to meet the needs of Canada and Canadians in the 21st century.

**Order in Council
October 19, 1989**

In our role as Commissioners, we are reviewing the past and the present, while also looking for future trends in intercity passenger transportation — road, air, rail and marine. This review

includes consultation, public hearings and research. We have reached the midpoint in our exploration of the national passenger transportation system, and would like to acquaint Canadians with what we have learned.

This interim report:

- outlines our mandate and strategy;
- provides background information on the laws, regulations and institutions that govern intercity passenger transportation in Canada;
- explains how the passenger transportation system is used and financed today;
- discusses the demographic, social, technological, environmental and energy trends that could affect policy recommendations;
- reports what Canadians are saying about intercity passenger transportation; and
- pinpoints some of our key concerns for a fruitful public discussion.

OUR STRATEGY: FROM CONSULTATION TO RECOMMENDATIONS

To arrive at recommendations for a future passenger transportation system, it is necessary that we have a thorough understanding of the system as it exists today. To acquire that knowledge, we have undertaken several initiatives.

CONSULTATION

We consulted with Canadians from all walks of life who have an interest in the passenger transportation system. These consultations included meetings with representatives of major transportation organizations and with individuals and groups who either provide transportation services or have special transportation needs. We met with elected representatives

from the federal, provincial and municipal governments and we toured sites to gain first-hand experience about the construction, operation and maintenance of transportation facilities and services. These consultations will continue during the preparation of our final report.

PUBLIC DIALOGUE AND DEBATE

We held public hearings in 30 centres across Canada, from the Arctic, to the Pacific, to the Atlantic. We heard oral briefs, and we solicited opinions and information from many participants in the transportation system. We listened to individual travellers and representatives from governments,

382 representations were made to us during public hearings.

546 written briefs were sent to us.

134 Dial-A-Briefs were phoned in to us.

industry, labour, and business. We heard presentations from organizations representing the diverse interests of such groups as seniors, youth, and the disabled. We heard from the academic community and from those with environmental concerns. We also studied the written briefs that supplemented these hearings. In addition, we studied briefs provided through a Dial-A-Brief Program that allowed individuals and groups across the country to phone, toll-free, to give us their thoughts on the transportation system. (This toll-free number, 1-800-465-4321, will be in operation until December 31, 1991.)

RESEARCH

We are engaged in a research program to examine our passenger transportation system from many perspectives: historically, to see how past policies have influenced the present; functionally, to understand better how the system

works; financially, to examine how the system is and could be financed and the role of the system in the country's economy; and globally, to study transportation in other industrialized countries. We are analyzing the challenges of new technologies, demographic changes and the evolving international economy, and we are examining the ways in which Canada can best meet the demand for passenger transportation in the future.

LOOKING AHEAD

The national passenger transportation system is complex, maintenance costs and future investments could be large, and there are no easy answers to the questions Canadians have raised. Some of these questions are:

ROAD

How should the problems of increased car travel, and the resulting pressure for more and better roads, be resolved?

- Provinces have the authority to construct and maintain roads, including the maintenance of most of the Trans-Canada Highway. Each province makes different choices concerning highway construction and maintenance. Is this a problem? If so, could this problem be solved by better coordination among the provinces? Or, would it be preferable to have the federal government involved in a national highway program?
- The car is now the predominant form of passenger travel. Are decision makers considering other ways that people might travel, such as bus, air and rail, when determining whether to make road investments? Are they taking all costs, including environmental costs, into consideration?

AIR

What should be done about congestion at major airports?

- Privately owned airline companies use facilities that are paid for by taxpayers. While these companies pay fees for using airports and navigational aids, the fees may not cover the total costs. If higher fees were charged during peak periods of congestion, would airline companies schedule flights more evenly throughout the day, thereby making more efficient use of existing airport capacity?
- Airline companies have been changing their patterns of service, phasing out some non-stop flights that serve single pairs of cities, and increasing the hub-and-spoke pattern. Travellers are flown to a central airport (the hub), where they change planes for other destinations via the spokes. The result: the hub airports are becoming increasingly congested. Do government policies affect the way airlines make decisions about hubbing?
- Governments have generally addressed the problems of airport congestion by building more capacity. Are people who make decisions examining the full range of options before deciding to expand terminals and build new runways at taxpayers' expense? Should airport congestion, and the investments required to reduce it, be taken into account when determining whether our transportation system should include high-speed rail or more highways?

RAIL

What is the future of rail passenger service in Canada? Will it include transcontinental, regional, remote and, in densely populated corridors, high-speed rail service?

- During the past 60 years, passenger travel has shifted from rail to the car and the airplane. The federal government decided to create a national airline, and the federal and provincial governments decided to build the Trans-Canada Highway. Did these decisions focus government policy and investment away from railways? Is this focus so predominant that governments have a bias against further rail investment?
- Many arguments have been made for and against a subsidy by taxpayers for passenger rail service. Should taxpayer support for passenger rail transportation be the same as that given to other modes of transportation? Are decision makers knowledgeable enough about environmental and safety issues to take them into account when making choices about passenger rail transportation?
- Railway companies pay for the construction and maintenance of their own infrastructure. They also pay taxes on the fuel they use and on their rights-of-way. Jointly, freight and passenger services pay for this infrastructure. When passenger service and revenues are reduced, an additional burden of paying for construction and maintenance of rights-of-way falls on some freight services. Do the resulting prices cause industry to shift freight to the road-using trucks, thereby further threatening the viability of rail freight services?

MARINE

How should ferry services be regulated and financed?

- Ferries are as vital to the travel needs of some Canadians as airplanes are to others. Should ferry service be viewed as a logical extension of the highway system? If so, how should ferry services be regulated? Generally, ferries that

operate between provinces are a federal responsibility, while ferries that operate within provinces are a provincial responsibility. If required, how should financial support to ferry services be provided?

As these questions demonstrate, the planning of a future passenger transportation system will not be easy. There are no simple answers, no quick fixes. The issues are many, the modes of travel are interrelated in complex ways, and changes in policies and investment decisions regarding one mode inevitably affect the others.

CONCLUSION

Passenger transportation is fundamental to the lifestyles of Canadians. Resolution of current complex policy issues and the potential impact of future trends could be significant. While Canadians share many expectations for the passenger transportation system, they do not have a shared view of how those expectations should be met.

The formulation of recommendations requires that we understand the current system and how it evolved. It also requires that we consult with Canadians at all levels — those individuals, groups and organizations with experience in passenger transportation, and those Canadians who are concerned about the transportation system that will be in place in years to come. We will supplement the knowledge we acquire through public consultations and dialogue with a research program that will examine further some of the concerns and issues raised.

We believe that the mandate given to the Royal Commission is both timely and far-reaching. In the following chapters, we present the results of the first phase of our inquiry.

CHAPTER II

FROM THEN TO NOW:

THE TRANSPORTATION FRAMEWORK

The history of passenger transportation in Canada is about people who have been compelled to travel long distances, frequently over forbidding terrain. Sleds, kayaks and canoes provided the first means of travel, followed by sailing ships, boats, horses and carts, trains, cars and buses, and, finally, airplanes. The transportation system that resulted is not well integrated or coordinated. It is a combination of separate but related networks and even these have internal coordination problems. The evolution of this system has been accompanied by a parallel evolution of laws, regulations and institutions.

To make recommendations for a future transportation system, we believe it is necessary to understand how the current system evolved and how it is governed. The set of laws, regulations and institutions¹ that govern the passenger transportation system is an important reflection of the policies of governments in the transportation field. We call this the *framework* within which the system operates. We define framework as the set of laws, regulations and institutions that embody the principles, objectives and traditions pertaining to the following questions:

- the public and private sectors: what should their roles be?
- jurisdiction: which level of government should decide?

¹ "Institutions" include various government departments, regulatory agencies and other organizations that influence the transportation system.

- fares, tolls and taxes: where should the money come from?
- the accountability of decision makers: how should the public be informed?

Canada's transportation framework did not develop in isolation. It was shaped by the pressures of societal needs and the demands of different periods of history. These pressures took different forms as the population grew and technologies changed. Over time, legislators approached and solved transportation problems in a variety of ways that incorporated changing principles, objectives and traditions.

In this chapter we will examine the passenger transportation framework: how it evolved and the form it takes today. We take a look at the various federal and provincial laws that govern the transportation system; the principles and objectives embodied in these laws (where they are stated); and the institutions that the laws have created. At this stage of our work, we present this material as part of the factual base.

HOW THE FRAMEWORK EVOLVED

A BRIEF TRANSPORTATION HISTORY²

Sailing ships were the first means of transportation for European settlers coming to Canada. Since the availability of water transport determined the location of settlements, most early Canadian villages were situated near rivers and harbours. Settlers inland quickly began using the Indian canoe, which was light enough to be portaged between lakes and rivers, and around rapids and other impassable stretches of water. These portages, as well as the inland trails used by hunters, were the forerunners of early roads.

² This account draws heavily on information provided in *Canadian Transportation: Origins, Perspectives and Prospects*, by John Gratwick, published in 1989 by Transport Canada.

Samuel Cunard, a native of Halifax, Nova Scotia, developed the first international steamship line.

Roads were built and later canals were dug as settlements grew into towns and towns grew into cities. The first roads were noth-

ing more than paths cleared and levelled through the wilderness, providing passable travel for horse-drawn vehicles. Canal-building, however, was more sophisticated. After the War of 1812, the British government sent military engineers to build the Rideau Canal between Ottawa and Kingston, Ontario, as a secure route for passengers and supplies in the event of another war disrupting the St. Lawrence River route. Other canals were constructed later, providing a network of inland water transport for military and commercial use. The development of the steamship resulted in the expansion of marine passenger and freight transportation for both domestic and international travel.

The railway was the first mode of transportation to offer Canadians passenger service from the Atlantic to the Pacific.

By 1860, a person could travel by train from Rivière-du-Loup in Quebec to Sarnia, Ontario.

The first passenger rail line was built in 1836 to facilitate travel between Saint-Jean and La Prairie, Quebec, a difficult 24-kilometre land trip. Enthusiastic

rail building, however, did not immediately follow, and this first rail line remained the only one for some years.

The railway system did not expand much until the second half of the 19th century, when it was seen as a major means of unifying and opening up the country. Private companies and individuals invested heavily in railway construction. Rail lines proliferated, the crowning achievement being the

In 1890, there were over 480 intercity passenger trains arriving or departing from Montreal every week. One hundred years later, in 1990, there were only 188.

transcontinental railway built by the Canadian Pacific Railway Company. With the driving of the last spike in 1885, the railway became a sym-

bol of Canadian determination. The rapid growth of private railway companies that followed was not supported by sufficient demand. Subsequent bankruptcies and loan defaults resulted in the federal government assuming ownership of several privately developed railways. In 1919, the federal government consolidated many of these railways under the control of the Canadian National Railway Company.

The development of the car as an affordable means of transportation created the need for roads. Prior to World War I, a limited number of highways existed in Canada. As the number of cars increased, governments began to invest in road construction. Provincial

Since the early 1960s, a bus passenger has been able to ride coast-to-coast with one ticket.

governments built and maintained roads within their boundaries. With the passage of the *Trans-Canada Highway Act*³ in 1949, the federal government contributed to the funding of the Trans-Canada Highway, formally opened in 1962. Its final link, which crossed Newfoundland, was completed in 1965.

The growth of aviation began after World War I. Air force pilots returning from the war began to fly commercially. Many became bush pilots, flying people and goods into

³ The citations for all of the Acts referred to can be found in Annex II-1.

The first airplane flight in Canada was made by J.A.D. McCurdy, at Baddeck Bay, Nova Scotia on February 23, 1909. The Silver Dart was a biplane equipped with wheels. McCurdy flew it one-half mile, taking off and landing on ice.

remote areas. The federal government became a builder of airports and the regulator of the fledgling airline industry. By 1933, Canada had approximately 350 air-

craft and 120 licensed airports. Commercial airlines also came into being in this era. Canadian Airways Ltd., founded in 1930, was the forerunner of today's Canadian Airlines International Ltd. Trans-Canada Airlines, created as a subsidiary of the Canadian National Railway Company in 1937, later became Air Canada.

Aviation expanded into a nation-wide passenger transportation system after World War II. Airfields, built for the training of pilots and other air force personnel, provided an infrastructure for later commercial use. Aircraft companies were able to draw upon the technology developed for military purposes to build bigger, faster and more sophisticated aircraft. Trained personnel, who were capable of building, flying and maintaining the new aircraft, provided the human resources necessary to staff the new airline industry. Together, these events formed the basis of today's air transportation system.

NATIONAL TRANSPORTATION POLICY BEFORE 1967

Early transportation policies were influenced by non-transportation issues and concerns, such as military security and nation-building. Some of the early canals, for example, were built for military purposes. The railway, which offered the first possibility of a national transportation system, was seen by successive governments as a tool to promote certain objectives: opening the Prairies and asserting sovereignty

over the West; fostering nation-building by encouraging people and freight to move east-west rather than north-south; and helping to convince several provinces to join Confederation.

The *Constitution Act, 1867* (commonly referred to as the *British North America Act, 1867*) set out the division of transportation jurisdiction between federal and provincial governments (see Chart II-1). Powers were given to provincial legislatures for "local works and undertakings." What was not specifically delegated to the provinces fell under federal jurisdiction. This included all interprovincial and international transportation and any "local works" that Parliament declared to be "for the general advantage of Canada."

Chart II-1

CONSTITUTION ACT, 1867

92. In each Province the Legislature may exclusively make Laws in relation to Matters coming within the Classes of Subjects next herein after enumerated; that is to say, —

10. Local Works and Undertakings other than such as are of the following Classes:—
 - a. Lines of Steam or other Ships, Railways, Canals, Telegraphs, and other Works and Undertakings connecting the Province with any other or others of the Provinces, or extending beyond the Limits of the Province;
 - b. Lines of Steam Ships between the Province and any British or Foreign Country;
 - c. Such Works as, although wholly situate within the Province, are before or after their Execution declared by the Parliament of Canada to be for the general Advantage of Canada or for the Advantage of Two or more of the Provinces.

The federal government could, therefore, assume jurisdiction, for the benefit of Canada, over a transportation activity operating solely within a province. If, for example, the federal government declared that a railway was a work "for the general advantage of Canada," then the railway was withdrawn from provincial control and brought under federal jurisdiction.

As a result of the division of powers over transportation, provincial governments would eventually have primary responsibility for highways and motor vehicles, while many aspects of the other modes of transportation — air, rail and marine — would fall under the jurisdiction of the federal government. Neither the *Constitution Act, 1867* nor other legislation provided a strategy for future transportation development, and early governments made no attempt to establish a comprehensive national transportation policy for all modes.

At the turn of the century, federal transportation policy and railway policy were seen as one and the same. In the early 20th century, as in the latter part of the 19th century, the federal government focussed on the railways as instruments of economic and national development, subjecting them to strict monopoly-type regulation. In 1868, the government responded to the rapid growth of private rail companies with the *Railway Act*. Legislation in 1903 created a Board of Railway Commissioners to set regulations and rates.

In 1936, a separate federal Department of Transport was created by merging the relevant parts of other government departments. Under its first Minister, the Honourable C. D. Howe, the Department was oriented towards operations, rather than towards policy development. This approach continued throughout World War II, when the Department's responsibilities were greatly expanded. With Canadian transport providing logistic support to allied forces, the Department was in charge of determining priorities and running the transportation system. This included building air bases, establishing Ferry Command to deliver military aircraft across the Atlantic, developing radio and meteorological services to support military vessels and aircraft, and establishing the Directorate of Merchant Seamen and the Canada Travel Bureau.

During the post-war period, the Department focussed on recovery and development. Domestic transportation infrastructure and equip-

ment, which was old and had been poorly maintained during the war, was unable to meet the new demands of the post-war period. The Department was oriented primarily towards solving immediate problems. With the dominance of railways as public carriers of passenger and freight traffic, a policy encompassing all modes was not a priority. Instead, each mode of transportation was regulated by either federal or provincial government bodies, each with its own legislation, rules, practices and philosophy. During this period, the growing popularity of the car contributed to the expansion of the highway system. Since the provinces were responsible for most roads, provincial governments became increasingly involved in passenger transportation.

Between 1946 and 1956, passenger volume at Montreal's Dorval Airport rose from 246,359 to 1,092,000 and at Malton Airport (Pearson) in Toronto from 180,307 to about 900,000.

The federal government used Royal Commissions as a mechanism to examine and resolve several important transportation issues. One of the most important and recent was the MacPherson Royal Commission. Its 1961 report, although focussed largely on rail freight, was particularly valuable because its findings and recommendations were the basis for the first attempts to develop federal transportation legislation that was applicable to all modes of transportation.

The MacPherson Royal Commission stated that Canada had adequate rail transportation capacity, and that, with some exceptions, government should allow market forces to guide the planning, financing, building and operating of future

services. The Commissioners stated that, if governments provided an environment in which public and private commercial corporations could compete effectively, competition among modes of transportation would ensure continued improvements, increased productivity and reduced costs.

THE NATIONAL TRANSPORTATION ACT OF 1967

The aim of the *National Transportation Act* of 1967 was an “economic, efficient and adequate transport system.” To support this policy, the Act set out four key principles⁴ (see Chart II-2).

Chart II-2

NATIONAL TRANSPORTATION ACT OF 1967

Key Principles

- free competition between modes
- each mode to bear fair proportion of costs of facilities and services provided to them at public expense
- each mode to be compensated for facilities and services they provide as imposed public duty
- tolls and conditions that do not constitute:
 - an unfair disadvantage for some traffic
 - an unreasonable obstacle to the movement of goods or discouragement to industrial development or trade

The Act called for a system of free competition among modes. Regulations regarding rail rates were relaxed as the MacPherson Royal Commission had recommended, but the two national railways could still set prices jointly. Air and marine transportation were still subject to strict economic regulation, as were the bus and highway-carrier industries. The

⁴ For the wording of Section 4, *National Transportation Act* of 1967, see Annex II-2.

Canadian Transport Commission (CTC) was created as a separate body to regulate all public modes of transportation. Although the CTC was organized to regulate buses and trucks, the part of the Act providing this mandate was never proclaimed.

Political, social and economic changes after 1967 altered the transportation picture. While attempts were made to revise federal transportation legislation in the 1970s, major changes did not occur until 1987. The preceding two decades had seen significant changes in Canada's transportation systems and patterns of use. Car use, air services and trucking had grown significantly. Deregulation in the U.S. transportation industry seemed to be offering users lower prices, and was adversely affecting some Canadian carriers. In addition, there was public pressure to make the transportation system fulfil social and regional objectives. These changes and pressures led to the enactment of the *National Transportation Act, 1987*.

THE NATIONAL TRANSPORTATION ACT, 1987

The policy statement in Section 3 (1) of the *National Transportation Act, 1987* (NTA, 1987) continues the federal policy of pursuing economic, efficient and adequate transportation services in the public modes of transportation — air, rail, bus and marine (see Chart II-3). Parliament retained some of the key principles of the former *National Transportation Act* and added several new policy objectives, including safety, access for the disabled and regional economic development.⁵

⁵ For the wording of Section 3(1), *National Transportation Act, 1987*, see Annex II-3.

Chart II-3

NATIONAL TRANSPORTATION ACT, 1987

Key Principles

- the highest practical safety standards
- free competition between and within modes
- regulation only when necessary to serve the needs of shippers and travellers
- transportation as a key to regional economic development
- each carrier or mode to bear fair proportion of costs of facilities and services provided to them at public expense
- each carrier or mode to be compensated for facilities and services they provide as imposed public duty
- fares, rates and conditions that do not constitute:
 - an unfair disadvantage for some traffic
 - an obstacle to the mobility of persons, including the disabled
 - an unreasonable obstacle to the movement of goods or discouragement to industrial development or trade

The NTA, 1987 was primarily designed to encourage the development of a more competitive environment. The new Act was intended to lessen economic regulatory burdens and to simplify regulatory procedures.

The NTA, 1987 also includes non-economic initiatives. Although safety legislation already existed for individual modes of transportation, the principle of safety is now stated as a goal in the NTA with an emphasis on maintaining high standards. For the first time, the Act sets out, as a national objective, access for those who are disabled. It also recognizes the importance of transportation for regional development.

THE FRAMEWORK TODAY

The laws, regulations and institutions of today evolved from the principles, objectives and traditions of the past. The division of powers set out in the *Constitution Act, 1867* still governs legislators. Early transportation legislation either remains on the books or is the forerunner of current legislation. Today's framework reflects the past, but it also shapes the present. The laws and regulations, and the institutions that administer them, have developed over time in attempts to accommodate changing economic needs, new technologies, and a population with growing and new transportation demands.

Chart II-4 explains who generally owns and has jurisdiction over the infrastructure and carriers for each mode. For example, the federal government has legislative and regulatory jurisdiction over the air infrastructure, which includes airports, airstrips and air navigation facilities. In general, this infrastructure is owned by federal, provincial and municipal governments, although Canada does have a few large private airports, such as Buttonville in Toronto. The federal government has legislative and regulatory jurisdiction over air carriers, but ownership of airline companies is almost entirely in the hands of private industry.

Passenger transportation in the latter half of the 20th century has been dominated by the car, and use of the car is supported by a vast cross-country network of roads. Today, roughly 90 percent of intercity trips are by car. In this section of the chapter, we will begin by discussing the laws and regulations governing the highway mode of transportation, including cars and passenger bus service. We will then examine the laws and regulations for the other means of travel — airplane, train and ferry.

Chart II-4

PREDOMINANT JURISDICTIONAL AND OWNERSHIP CHARACTERISTICS
OF TRANSPORTATION MODES

Modes	INFRASTRUCTURE (Way)		CARRIER (Vehicle)	
	Jurisdiction	Ownership	Jurisdiction	Ownership
Highway/Car Highway/Bus	Provincial	Public	Provincial Federal/ Provincial	Private Public/Private
Airway	Federal	Public	Federal	Private
Railway	Federal	Public/Private	Federal	Public/Private
Waterway/Ferry	Federal/ Provincial	Public	Federal/ Provincial	Public/Private

MOTOR VEHICLE LEGISLATION

Under the *Constitution Act, 1867*, roads were generally considered “local works” and not under federal jurisdiction. As a result, the provinces are primarily responsible for roads and for regulating the vehicles that travel on them. Cars, however, are not subject to the same economic regulation as public passenger transportation (buses and taxis). For example, regulations regarding fares, conditions of entry into the market and termination of service apply to public transportation and not to cars. Provinces govern automobile transportation through legislation that deals with highways, road safety, the licensing of vehicles and drivers, and the safety of in-use vehicles, as shown in Chart II-5. The federal government also has a role in automobile safety through legislation governing the safety, noise and emission standards of new cars, and the safety of new and replacement tires. As well, the federal government, through the *Criminal Code*, imposes penalties on drivers. Some *Criminal Code* offences apply as well to the operators of vessels, aircraft and railway equipment.

Chart II-5

CAR TRANSPORTATION LEGISLATION

Provincial	Federal
<ul style="list-style-type: none"> • road construction and maintenance • road safety • licensing of drivers • registration of cars • safety of in-use cars 	<ul style="list-style-type: none"> • safety of new cars • noise and emission standards for new cars • safety of new and replacement tires • criminal behaviour of drivers

Each province has legislation providing for the construction and maintenance of highways. Such Acts generally authorize the provincial Ministers of Transport to

construct, maintain and designate provincial highways, and to assist financially in the construction and maintenance of municipal roads. These Acts generally do not set out policies for determining when a road should be built, whether it should be designated as provincial or municipal, or how municipal roads should be funded. Such policies are developed by each provincial transportation department and differ from province to province.

In the early 1900s, motorists banded together in local associations to lobby for better roads. These groups merged in 1913 to form a national group, later known as the Canadian Automobile Association (CAA).

The Highways Act of 1793, passed by the first Parliament of Upper Canada, compelled all men to work on the roads from 3 to 12 days a year, using their own tools.

The federal role in providing highway facilities is limited. Since the provision of roads is under provincial jurisdiction, there is minimal federal legis-

lation in this area. Under the *Public Works Act*, Public Works Canada is responsible for a small number of highways (most

notably the Alaska Highway), a number of bridges and occasional special projects, such as the proposed fixed-link between New Brunswick and Prince Edward Island. Transport Canada also owns, operates and finances some provincial, interprovincial and international bridges that, in most cases, cross navigable waterways.

The *Trans-Canada Highway Act*, passed in 1949, established a partnership between the federal and provincial governments for a transcontinental highway. Standards and timetables were left to individual federal-provincial agreements. Upon completion of the Trans-Canada Highway, the provinces became responsible for their portions of the highway, although the sections that pass through national parks remained a federal responsibility and are managed by Public Works Canada. Although Transport Canada has no specific obligations regarding highways, it has participated in a number of economic and regional development agreements that provide funds to some provinces for improving their highway systems.

Legislation governing safety and environmental issues with respect to motor vehicles has been enacted at both the federal and provincial levels. The mechanical safety of all new motor vehicles sold in Canada is federally regulated. Provincial governments, on the other hand, have legislative authority to establish and enforce in-use safety and operating standards for all motor vehicles operating within their jurisdiction.

The federal *Motor Vehicle Safety Act* regulates the safety of new cars and components. All motor vehicles imported for sale in Canada must comply with the Motor Vehicle Safety regulations, and those manufactured in Canada must have a National Safety Mark indicating that they meet standards developed under this Act. The Act requires manufacturers

to give public notice of defects. It also empowers the federal Minister of Transport to undertake research and development programs, and to establish and operate facilities to test motor vehicles and components. In addition, environmental regulations set noise and emission standards for new cars.

There are no regulations governing the automotive parts aftermarket. When the *Motor Vehicle Safety Act* was being drafted, the provinces felt strongly that the market for replacement and additional products fitted to a vehicle after sale fell within their jurisdiction. The Act was passed with the understanding that the provinces would each introduce parallel legislation to deal with the motor vehicle aftermarket. Since the aftermarket is dominated by components designed for the U.S. market, and must meet safety standards set in that country, none of the provinces has enacted this legislation. In effect, Canadians rely on U.S. standards for automobile parts.

Tire safety is covered solely by federal legislation. Tires, whether they are part of a new car at sale or fitted at a later date, fall under the *Motor Vehicle Tire Safety Act*. Imported tires must comply with the motor vehicle tire regulations and those made in Canada must carry a Tire Safety Mark, indicating that they have met safety standards. Although replacement tires (most of which are manufactured in Canada) form a substantial part of the automotive parts aftermarket and could logically fall under provincial jurisdiction, all governments agreed that federal responsibility for the tire market as a whole was the most efficient way to ensure common and acceptable tire safety standards.

Fuel consumption standards are under a voluntary industry program. In 1982, the federal government enacted, but did not proclaim, the Motor Vehicle Fuel Consumption Standards

Act. This Act would have required manufacturers to establish and display a fuel consumption rating for each class of vehicle. Although the Act was not proclaimed, consumer demand for information on fuel economy, and Canadian automotive involvement in the U.S. marketplace (where legislation is in place), have resulted in most of its provisions being implemented voluntarily by the automotive industry.

Provincial governments legislate the operation of in-use vehicles in a number of ways: through the enforcement of speed limits and other traffic control regulations; by requiring specific safety equipment; by vehicle inspection programs; and through the licensing of drivers and motor vehicles. Provincial vehicle licensing procedures can, for example, require that motor vehicles be insured as a condition of registration, and that they operate with valid safety inspection certificates. Although safety standards for equipment in newly manufactured cars are established in federal legislation, each province can enact additional equipment requirements. Generally, these impose few restrictions on new equipment, but deal mainly with maintaining vehicle components such as brakes, lights and seat belts in satisfactory operating condition. Automobile safety inspection programs vary, ranging from mandatory annual inspections in some provinces and territories to none at all in others (see Chart II-6).

Provincial requirements for obtaining and holding a driver's licence are fairly consistent across Canada. Licence applicants must pass a written exam, road test and vision screening. A driver's licence must be renewed every one to five years. The behaviour of drivers is regulated through provincial legislation, which deals with, among other things, careless driving or driving with a suspended licence. All provinces require drivers to report any medical problems that may affect their ability to operate a car safely.

Chart II-6

PROVINCIAL/TERRITORIAL AUTOMOBILE SAFETY INSPECTION REQUIREMENTS

PROVINCE/ TERRITORY	SAFETY INSPECTION PROGRAM
Newfoundland	Annual inspection of all automobiles 4 or more years old
Nova Scotia	Annual inspection of all automobiles
New Brunswick	Annual inspection of all automobiles
Prince Edward Island	Annual inspection of all automobiles
Quebec	Inspection for private sale or registration of out-of-province cars
Ontario	Inspection required when an automobile changes ownership
Manitoba	Inspection of a randomly selected group of automobiles more than 4 years old
Saskatchewan	No safety inspection program
Alberta	No safety inspection program
British Columbia	No safety inspection program
Northwest Territories	No safety inspection program
Yukon	No safety inspection program

The federal government also regulates the behaviour of drivers through the *Criminal Code*, which makes certain driving conduct a criminal offence. Examples include failure to stop at the scene of an accident and operating a motor vehicle while impaired. Drivers convicted of impaired driving have their licences suspended. If a driver is convicted under the *Criminal Code* of operating a motor vehicle while impaired, the court must issue a prohibition order forbidding the individual to drive for a certain period of time. However, the licence of the convicted individual is suspended under provincial legislation.

Fuel emission standards for in-use motor vehicles are not currently legislated. Maximum exhaust emissions of new cars are regulated under the federal *Motor Vehicle Safety Act*, but emissions of cars in use are not. To address this legislative gap, in 1989 the provinces signed an agreement with the federal government to implement inspection programs by the end of 1992 in areas deemed to have significant air

pollution problems. These areas include southern Quebec, southern Ontario and the British Columbia lower mainland. British Columbia is developing legislation for mandatory annual emissions inspections for cars registered in the lower mainland to ensure that these cars meet the manufacturers' emissions standards. In Nova Scotia, a mechanical inspection of emissions control equipment (but not a testing of the actual emissions) was proposed in 1990 as part of its mandatory annual inspection program, although legislation has not been introduced.

Before 1954, the federal government generally left the regulation of the bus industry to the provinces. An appeal to the Supreme Court of Canada resulted in a 1954 decision that gave the federal government responsibility for road transportation companies that conduct business outside of their provinces. With no legislation, administrative structure or expertise in place to oversee the industry, Parliament enacted the *Motor Vehicle Transport Act* in 1954. The Act empowers the provinces to exercise federal responsibilities and charges them with treating carriers from outside the province as they treat local ones. This delegation of authority has not changed significantly since 1954. A summary of both provincial and federal legislation covering passenger buses is shown in Chart II-7.

Chart II-7
BUS TRANSPORTATION LEGISLATION

Provincial	Federal
<ul style="list-style-type: none">• market entry• fare and route regulations• licensing of drivers• registration of buses• safety of in-use buses	<ul style="list-style-type: none">• delegation of authority to provinces• licensing, fare and route regulation for services exempt from delegation to provinces• safety of new buses• safety of new and replacement tires

Currently, federal legislation regarding the bus industry is found in the *National Transportation Act, 1987*, the *Motor Vehicle Transport Act, 1987* and the *Motor Vehicle Safety Act*. In the provinces, the bus industry is governed by motor vehicle acts, variously referred to as Motor Carrier Acts, Motor Transport Acts or Public Vehicles Acts. Under these acts, the provinces exercise full authority over all intercity bus services except those exempted under the federal *Motor Vehicle Transport Act, 1987*. The only service presently exempted, and therefore federally regulated, is the Roadcruiser bus service in Newfoundland, operated by the Canadian National Railway Company (CN). This service replaced CN rail passenger service, which was discontinued in 1969 in a negotiated agreement between Newfoundland and the federal government.

The provinces maintain strict controls over bus service. Each province has a motor transport board or similar regulatory agency that administers the licensing of bus passenger services. These boards can hold hearings on applications, impose terms and conditions, review changes to schedules and rates, and issue, suspend, revoke or alter operating licences. Carriers are usually granted routes according to their ability to show "public convenience and necessity," a requirement that often presents a significant hurdle for companies wishing to enter the marketplace. Fares and service levels are regulated and monitored. Carriers with monopolies on lucrative routes may be required to provide service on less lucrative ones. This type of regulation is intended to ensure service stability, consumer protection and more equitable services. There is concern that, if bus companies were not required to service uneconomic routes in exchange for lucrative routes and charter services, they would reduce or abandon these unprofitable routes to small rural and remote communities.

While the provinces are moving cautiously, regulatory control of the bus industry is changing. Some provinces are studying the potential impact of deregulating their intercity bus industries. There is some feeling that more relaxed requirements could encourage increased competition, the introduction of new services, improved efficiency, the possibility of lower rates, and opportunities for local entrepreneurs to develop new business.

New Brunswick and Prince Edward Island recently amended their legislation to provide a “reverse-onus” test for new licences. Under a reverse-onus test, a company does not have to prove that its proposed new service fulfils the requirements of public convenience and necessity. Rather, persons objecting to the new service must demonstrate why a new licence should *not* be granted. Reverse-onus is intended to make it easier for new companies to obtain licences and enter the market.

Alberta has taken a different approach to regulatory reform. Operators of scheduled bus services must still show “public need and convenience.” New charter bus operators who want licences to operate within the province must meet the “fit, willing and able” criteria, which include safety inspection certificates, insurance and bonding requirements. The result has been the entry of many new companies offering charter services, and an increase in the variety of such services, particularly those available to the smaller cities and towns.

Bus safety is governed by provincial legislation and the 1987 National Safety Code for Motor Carriers. Provincial governments are responsible for annual or semi-annual inspections, in-use standards for equipment such as brakes, lights and seat belts, and implementation of the 1987 National Safety Code. This Code was developed jointly by the federal, provincial and territorial governments to achieve greater

uniformity in safety standards for commercial vehicle operators. It includes requirements for inspections, maintenance standards, maximum driver hours, the mandatory use of driver log books, driver licensing and medical standards, and audits of carriers' records.

AVIATION LEGISLATION

Although other modes of transportation are subject to the division of powers set out in the *Constitution Act, 1867*, aeronautics did not start on the same legislative footing. The earliest federal legislation was *The Air Board Act*, enacted by Parliament in 1919 to regulate an expanding aviation industry. Federal authority was again asserted in 1927 with the passage of the *Aeronautics Act*. In 1952, the Supreme Court of Canada upheld the principle that aeronautics should be under federal jurisdiction. The Court declared aeronautics a distinct mode of travel that "goes beyond local or provincial concerns or interests and must from its inherent nature be the concern of the Dominion as a whole." Today, air carriers are governed principally by two pieces of federal legislation: the *National Transportation Act, 1987* and the *Aeronautics Act*, as shown in Chart II-8.

Chart II-8

FEDERAL AVIATION LEGISLATION

<i>National Transportation Act, 1987</i>	<i>Aeronautics Act</i>
<ul style="list-style-type: none">• market entry• licensing• northern routes• posting of fares• termination of service	<ul style="list-style-type: none">• construction, maintenance and operation of airports and related facilities• financial assistance to local airports• airport, aircraft and related safety and security• air navigation systems• airport weather information• personnel and carrier certification• noise pollution

The *National Transportation Act, 1987* legislated economic regulatory reform for aviation. In southern Canada, economic regulation of domestic air transportation has been significantly reduced. Under previous legislation, an airline company applying for a new route had to prove “public convenience and necessity.” Under the new Act, the company need show only that it is Canadian-controlled and “fit, willing and able” to provide the service. In northern and remote areas, the same entry criteria prevail, but communities or parties affected by the new service can raise objections with the National Transportation Agency, which then decides the matter (as with bus legislation, this is referred to as a reverse-onus test). In the public interest, the Act provides for the possible subsidization of northern and remote routes and imposes certain conditions relating to points served, schedules and fares.

The *National Transportation Act, 1987* also addresses air fares and termination of service. The Act requires that the public be informed of air fares and their terms and conditions. In situations where there is inadequate competition, the Act protects against pricing abuse through a complaint-investigation mechanism. The Act also provides for regulations regarding the reduction and termination of air service. While these regulations ensure that no abrupt termination of service occurs, they are sufficiently relaxed to allow carriers to try new services without being required to continue service on uneconomic routes.

The *Aeronautics Act* governs ground and air services and facilities. Under this legislation, Transport Canada may own and manage airports, and has responsibility for the operation of the air navigation system and the airport weather information service. In 1987, the federal Minister of Transport announced the airport transfer initiative, through which

Transport Canada airports can be leased to local airport authorities. The principal objectives of this policy are to improve airport services to local communities, to enhance regional economic development, and to permit airports to operate in a more cost-efficient and commercial manner. Discussions regarding the leasing of airports to local authorities have involved the cities of Vancouver, Edmonton, Calgary and Montreal. In addition, the private sector has developed Terminal 3 at Toronto's Pearson International Airport, and proposals will be solicited for the private-sector redevelopment of Terminals 1 and 2.

The *Aeronautics Act* also provides for the regulation of safety and security of passengers, aircraft and crew at all commercial airports. The federal government is empowered to make regulations affecting security on the ground and in the air, the certification of personnel and carriers, the use of airspace, the manufacture and use of aircraft, and aeronautical products and equipment. The Act also covers noise pollution, permitting the Minister of Transport to regulate noise emitted from airports and aircraft. The *Canadian Transportation Accident Investigation and Safety Board Act* gives the federal government the power to investigate aircraft accidents and incidents.

The National Civil Air Navigation System operated by Transport Canada is designed to ensure the safe and efficient movement of aircraft in Canadian and adjacent international airspace. Air traffic services provide air traffic control centres and airport control towers at major airports. Flight information services maintain the safe and orderly flow of traffic with radar and radio communications. In addition, navigational aids are located across the country to assist pilots in determining their location and direction, and to help them take off and land safely.

The provincial role in aviation is limited primarily to administering, operating and subsidizing airports and airstrips, as illustrated in Chart II-9. While no province is legally required to provide airports or to financially assist airports, all provinces except New Brunswick and Prince Edward Island have established, operated and funded airports to a certain degree.

Chart II-9
PROVINCIAL ACTIVITIES REGARDING AVIATION

Airports and Airstrips	Subsidies to Air Carriers
<ul style="list-style-type: none">• construction and operation of provincial airports• funding of municipal airports	<ul style="list-style-type: none">• Quebec: several remote passenger routes• Newfoundland/Labrador Airways: service to many northern communities• Ontario/norOntair: service to many northern communities

Ontario and the four western provinces are the most involved in airport administration — each operates 50 or more airports. Generally, provincially owned airports are located in northern and remote areas to provide access and relieve isolation, to assist local economic development, to help communities attract scheduled air services and to provide bases for aerial forest-fire fighting, as well as for mineral exploration and development. Only three provinces directly subsidize air passenger services. Quebec provides operating subsidies to several air passenger routes along the North Shore of the St. Lawrence River and to Anticosti Island and the Magdalen Islands. Ontario subsidizes air passenger services to many northern communities through its Crown corporation, norOntair, which contracts for service with private carriers. Newfoundland provides operating subsidies to Labrador Airways, a private company that offers air passenger and freight services to remote communities in coastal Labrador.

RAIL LEGISLATION

Passenger rail transportation is governed federally by the *Railway Act*, the *Canadian National Railways Act*, the *National Transportation Act, 1987*, and the *Railway Safety Act*, (see Chart II-10). Provincial jurisdiction is limited to the few railways that operate within provincial borders and have not been declared a federal responsibility.

Chart II-10
FEDERAL RAILWAY LEGISLATION

<i>National Transportation Act, 1987</i>	<i>Railway Act</i>	<i>Canadian National Railways Act</i>	<i>Railway Safety Act</i>
<ul style="list-style-type: none">• general economic regulation (primarily freight)	<ul style="list-style-type: none">• market entry• licensing• termination of service• regulation of fares and traffic	<ul style="list-style-type: none">• established CN as a Crown corporation	<ul style="list-style-type: none">• design, operation and maintenance of infrastructure and equipment• training and licensing of personnel• work hours• medical standards• substance-use

The *Railway Act* governs the regulation of most rail passenger services. Although the aim of the *National Transportation Act, 1987* — a safe, accessible and economic transportation system — extends to the railways, virtually all of its provisions relate to freight transportation, rather than to passenger services. The *Railway Act* covers three areas of passenger rail transportation: the formation of new railway companies; the termination of rail passenger services; and the regulation of passenger traffic and fares. Unlike their counterparts in the air industry, new railway companies must still prove “public convenience and necessity” before being granted a

licence. Market-exit procedures have not been relaxed. A railway company can apply to abandon a service, but the National Transportation Agency can order the company to continue operating the service with a subsidy, if the service is deemed to be in the public interest.

In 1888, some rail coaches had electricity, were heated and boasted air-conditioning: fans cooled air by blowing it across blocks of ice.

The *Canadian National Railways Act* established Canadian National Railways as a Crown corporation in 1919. Under this

legislation, CN is mandated to manage all railways given to it, and is subject to the requirements of the *Railway Act*, the *National Transportation Act, 1987* and the *Railway Safety Act*. CN is also responsible for managing lands, some deeded outright and some entrusted to it. CN may not sell the entrusted land without government approval, since it does not have legal title to these lands. Other than declaring that the works of CN should be for the general advantage of Canada, the legislation makes no long-term policy statement.

In 1977, the federal government created VIA Rail Canada (VIA) without giving it a legislative mandate. In 1978, VIA was created as a Crown corporation, by Order in Council. VIA was given responsibility for the intercity passenger rail operations previously provided by Canadian National Railways and Canadian Pacific Railways. In 1986, the federal government proposed legislation, Bill C-97, which would have provided VIA with a mandate to offer 34 rail passenger services. Apart from four minimum-frequency services to remote communities, all routes were to be provided on a use-it-or-lose-it basis. Cost-recovery targets and procedures for discontinuing services were proposed. Bill C-97 was never passed.

The *Railway Safety Act*, which was passed in 1988, covers all activities that affect railway safety. This Act replaces, updates and expands the safety provisions in the *Railway Act*. It governs the operation and maintenance of infrastructure and the design, construction, alteration, operation and maintenance of railway equipment. It also includes a new rule-based approach to railway safety. Under the *Railway Act*, the process for amending safety regulations was time-consuming, and proposed improvements could be held up for years. The new Act empowers the federal Minister of Transport to create rules relating to the operations of railway companies, or to require companies to develop acceptable rules of their own. The use of rules, instead of regulations, enables more prompt response to technological change and other factors.

A few passenger railways are regulated by provincial governments. These include the British Columbia Railway, which provides service between Vancouver and Prince George, and the Ontario Northland Railway, on its service between North Bay, Cochrane and Moosonee. Provincial railway legislation varies according to province, from none in New Brunswick and Newfoundland, to long-established legislation in Alberta, Manitoba, British Columbia and Nova Scotia and to more recent legislation in Saskatchewan. Safety is governed by provincial safety legislation, which, in most cases, includes many of the requirements of the federal *Railway Safety Act*.

MARINE LEGISLATION

Federal responsibilities for passenger and vehicle ferries have evolved as a result of historical events and precedents, and often extend beyond explicit laws and regulations. Some ferry services operate without legislation. Others were established by the *Constitution Act, 1867* and the Terms of Union with British Columbia (1871) and Prince Edward Island

(1873). This was also the case for the *Newfoundland Act* under which Newfoundland joined Canada in 1949. Safety and pollution prevention and control is covered by the *Canada Shipping Act* and a series of ports acts, as shown in Chart II-11.

Chart II-11
FEDERAL MARINE LEGISLATION

Constitution Act, 1867	Canada Shipping Act	Ports Acts
<ul style="list-style-type: none">• authority over international and inter-provincial service• operation of ferry services<ul style="list-style-type: none">– Newfoundland– Prince Edward Island	<ul style="list-style-type: none">• safety and security including search and rescue• licensing and registration• pollution prevention and control• vessel routing and traffic control	<ul style="list-style-type: none">• operation of ports• port safety

Ferry services under federal jurisdiction generally operate under negotiated agreements. The provision of some of these services derives from constitutional obligations, such as those specified in the terms under which Newfoundland and Prince Edward Island joined Confederation. The federal government also supports some services that provide an alternative to those that are constitutionally required, or that respond to certain socio-economic needs. Transport Canada, in consultation with the provinces, ferry operators, users and other interested parties, annually sets quality, quantity, cost and subsidization levels for ferry services.

Provincial governments have economic regulatory jurisdiction over ferries that operate within their boundaries and are not regulated by the federal government. British Columbia, Newfoundland, Ontario and Quebec have specific ferry legislation governing the operation, schedules and fares of ferries

within their jurisdictions. The other provinces' involvement in ferry services, usually legislated under highway acts, is limited to providing cable and motor-vessel ferry services across rivers to connect the road system where it is not economical to provide bridge crossings. In general, the provincially regulated ferry services receive funding from their provincial governments.

MULTIMODAL LEGISLATION AND INITIATIVES

Legislators and policy makers have become aware that some transportation issues cannot be addressed by laws that are written only for specific modes of transportation. Important issues such as safety, security, substance use and environmental pollution cut across all modes. Recently, the federal government has addressed these issues with multimodal legislation and initiatives. Such legislation and initiatives, however, do not extend into areas of provincial responsibility.

Transportation Safety

Established under federal legislation in 1990, the Transportation Safety Board of Canada consolidates all federal accident investigation mechanisms into a single agency, absorbing the duties of the Canadian Aviation Safety Board, the Railway/Pipeline Investigation Directorate and the Marine Casualty Investigation Directorate. Independent of Transport Canada, and reporting directly to the President of the Queen's Privy Council for Canada, the Board conducts investigations, reports the results publicly, identifies safety deficiencies and makes recommendations. The Board also investigates situations which, if left unattended, may cause accidents. Being federal, the mandate of the Transportation Safety Board of Canada does not include safety on highways, where the vast majority of transportation accidents occur.

Transportation Security

In response to growing concern about terrorism and other threats to passenger and operator security, Transport Canada has created a Security and Emergency Planning Group. This group is responsible for coordinating the development and implementation of policies and programs to ensure the security of the transportation system. It has instituted standards for airport security and training for airport security officers. It has also prepared a discussion paper recommending that a new marine act, separate from the *Canada Shipping Act* and ports legislation, be enacted to implement marine security measures on a national basis.

Substance Use

On November 7, 1990, the Minister of Transport proposed a policy to deal with substance use in safety-sensitive positions in the federally regulated transportation sector. New legislation will be required for this three-pronged approach, which is comprised of mandatory education, problem identification and access to employee assistance programs. Supervisors would be trained to identify substance-use problems, and in defined circumstances, employees in safety-sensitive positions would be tested for drug and alcohol use. Legislation has not yet been introduced.

Environmental Review

In 1984, the federal Environmental Assessment and Review Process (EARP) established the process by which federal departments, boards and agencies are required to evaluate the environmental consequences of projects that (a) the federal government undertakes, (b) may have an environmental effect on an area of federal responsibility, (c) are financed in part or wholly by the federal government, or (d) are

located on lands administered by the federal government. To be undertaken along with economic, engineering and feasibility studies, this process is designed to identify potentially dangerous environmental situations and to determine ways to alleviate problems. Transportation projects, such as the building of roads across federal lands, the construction of airports, and the construction of bridges that cross navigable waters, could be subject to this review. The federal government has proposed Bill C-78 to create separate legislation for this environmental process.

All ten provinces have established environmental assessment procedures requiring that undertakings with possible adverse effects on the environment be assessed, reviewed by the provincial government and the public and, if approved, monitored to ensure that the conditions of approval are maintained (see Chart II-12).⁶

Chart II-12

PROVINCIAL ENVIRONMENTAL ASSESSMENT PROGRAMS

TYPE OF ASSESSMENT	PROVINCE
• Specific Environmental Assessment Legislation	• British Columbia, Newfoundland, Ontario, Quebec and Saskatchewan
• General Environmental Protection Legislation	• Alberta and Nova Scotia
• According to Departmental Policy	• Manitoba, New Brunswick and Prince Edward Island

The application and scope of environmental assessment procedures vary from province to province. In many provinces, "undertaking" means only construction projects that physically alter facilities or the physical environment; in others, "undertaking" includes plans and policies. While all

⁶ On November 6, 1990, the Northwest Territories passed an act on environmental rights. The Yukon government is in the process of developing an environmental assessment program.

provinces define environment in terms of the natural or physical environment, not all extend the definition to social, economic, cultural or aesthetic aspects of the human environment. Some provinces allow the term to be defined on a project-by-project basis. Public participation in environmental reviews also differs by province. Some provinces leave public involvement solely to the discretion of the Minister, while others place almost no restrictions on public involvement, including the right of an individual to request a full formal public hearing.

In other respects, provincial approaches are similar. All provinces provide ways to exempt specific undertakings from a review. No provincial government has specifically included private-sector undertakings in its environmental legislation or policies. Only Ontario has the power to designate that a private-sector undertaking be subject to environmental assessment requirements.

Other Relevant Initiatives

In addition to federal and provincial environmental initiatives, examples of other federal multi-sectoral initiatives and legislation that affect passenger transportation include the *Competition Act*, the *Unemployment Insurance Act* and the *Canada Labour Code*.

CONCLUSION

In this chapter we have sketched a brief history of passenger transportation in Canada with an eye to highlighting how the laws, regulations and institutions that govern passenger transportation today have evolved to address changing needs and circumstances.

As we have seen, the laws affecting passenger transportation are fragmented, partly because multiple levels of government play a role as a result of the division of jurisdiction set out in the Constitution. We note also that the objectives set by the lawmakers for the system have varied over time and by jurisdiction. It seems that the modes can be treated differently in both economic and safety regulation. As a result, passenger transportation companies may not be competing against other modes on a level playing field.

While the laws, regulations and institutions governing passenger transportation appear to have served Canadians well, this framework, which developed to serve the changing needs of the day, contains inconsistencies, gaps and redundancies that may make Canada's present laws, regulations and institutions inadequate to meet the demands of the 21st century. Some aspects inherited from the past could inhibit Canada's ability to make the changes needed in the future.

In Chapter III we examine the passenger transportation network that has developed within this framework, how it is used, and the ways in which it is financed.

ANNEX II-1

LISTING OF RELEVANT ACTS

Aeronautics Act. R.S.C. 1985, c.A-2.

British Columbia Terms of Union. R.S.C. 1985, Appendix II, no.10.

Canada Labour Code. R.S.C. 1985, c.L-2. As amended.

Canada Shipping Act. R.S.C. 1985, c.S-9.

Canadian National Railways Act. R.S.C. 1985, c.C-19.

Canadian Transportation Accident Investigation and Safety Board Act. S.C. 1989, c.3.

Competition Act. (Formerly Combines Investigation Act). R.S.C. 1985, c.C-34.

Constitution Act, 1867. (Formerly British North America Act, 1867). As amended. Renamed by the Canada Act, 1982, c.11 (U.K.). (See also R.S.C. 1985, Appendix II, no.44).

Criminal Code. R.S.C. 1985, c.C-46. As amended.

Motor Vehicle Safety Act. R.S.C. 1985, c.M-10.

Motor Vehicle Tire Safety Act. R.S.C. 1985, c.M-11.

Motor Vehicle Transport Act. R.S.C. 1985, c.M-12. Repealed by R.S.C. 1985, c.29 (3rd Supp.), s.23. Superseded by Motor Vehicle Transport Act, 1987.

Motor Vehicle Transport Act, 1987. R.S.C. 1985, c.29 (3rd Supp.).

National Transportation Act. R.S.C. 1985, c.N-20. Renamed National Telecommunications Powers and Procedures Act. R.S.C. 1985, c.28 (3rd Supp.), s.301.

National Transportation Act, 1987. R.S.C. 1985, c.28 (3rd Supp.).

Newfoundland Act. R.S.C. 1985, Appendix II, no.32.

Prince Edward Island Terms of Union. R.S.C. 1985, Appendix II, no.12.

Public Works Act. R.S.C. 1985, c.P-38.

Railway Act. R.S.C. 1985, c.R-3.

Railway Safety Act. R.S.C. 1985, c.32 (4th Supp.).

The Air Board Act. S.C. 1919, c.11. Consolidated R.S.C. 1927, c.3, s.6 under Aeronautics Act (except s.2, repealed by S.C. 1922, c.34, s.8 National Defence Act, 1922).

Trans-Canada Highway Act. R.S.C. 1970, c.T-12.

Unemployment Insurance Act. R.S.C. 1985, c.U-1.

ANNEX II-2

EXCERPT FROM *NATIONAL TRANSPORTATION ACT OF 1967*

National Transportation Policy

4. It is hereby declared that an economic, efficient and adequate transportation system making the best use of all available modes of transportation at the lowest total cost is essential to protect the interests of the users of transportation and to maintain the economic well-being and growth of Canada, and that those objectives are most likely to be achieved when all modes of transport are able to compete under conditions ensuring that having due regard to national policy and to legal and constitutional requirements
 - (a) regulation of all modes of transport will not be of such a nature as to restrict the ability of any mode of transport to compete freely with any other modes of transport,
 - (b) each mode of transport, so far as practicable, bears a fair proportion of the real costs of the resources, facilities and services provided that mode of transport at public expense,
 - (c) each mode of transport, so far as practicable, receives compensation for the resources, facilities and services that it is required to provide as an imposed public duty, and

(d) each mode of transport, so far as practicable, carries traffic to or from any point in Canada under tolls and conditions that do not constitute

(i) an unfair disadvantage in respect of any such traffic beyond that disadvantage inherent in the location or volume of the traffic, the scale of operation connected therewith or the type of traffic or service involved, or

(ii) an undue obstacle to the interchange of commodities between points in Canada or unreasonable discouragement to the development of primary or secondary industries or to export trade in or from any region of Canada or to the movement of commodities through Canadian ports,

and this Act is enacted in accordance with and for the attainment of so much of those objectives as fall within the purview of subject-matters under the jurisdiction of Parliament relating to transportation.

ANNEX II-3

EXCERPT FROM *NATIONAL TRANSPORTATION ACT, 1987*

National Transportation Policy

3. (1) It is hereby declared that a safe, economic, efficient and adequate network of viable and effective transportation services making the best use of all available modes of transportation at the lowest total cost is essential to serve the transportation needs of shippers and travellers and to maintain the economic well-being and growth of Canada and its regions and that those objectives are most likely to be achieved when all carriers are able to compete, both within and among the various modes of transportation, under conditions ensuring that, having due regard to national policy and to legal and constitutional requirements,
- (a) the national transportation system meets the highest practicable safety standards,
 - (b) competition and market forces are, whenever possible, the prime agents in providing viable and effective transportation services,
 - (c) economic regulation of carriers and modes of transportation occurs only in respect of those services and regions where regulation is necessary to serve the transportation needs of shippers and travellers and such regulation will not unfairly limit the ability of any carrier or mode of transportation to compete freely with any other carrier or mode of transportation,

- (d) transportation is recognized as a key to regional economic development and commercial viability of transportation links is balanced with regional economic development objectives in order that the potential economic strengths of each region may be realized,
- (e) each carrier or mode of transportation, so far as practicable, bears a fair proportion of the real costs of the resources, facilities and services provided to that carrier or mode of transportation at public expense,
- (f) each carrier or mode of transportation, so far as practicable, receives fair and reasonable compensation for the resources, facilities and services that it is required to provide as an imposed public duty, and
- (g) each carrier or mode of transportation, so far as practicable, carries traffic to or from any point in Canada under fares, rates and conditions that do not constitute
 - (i) an unfair disadvantage in respect of any such traffic beyond that disadvantage inherent in the location or volume of the traffic, the scale of operation connected therewith or the type of traffic or service involved,
 - (ii) an undue obstacle to the mobility of persons, including those persons who are disabled,
 - (iii) an undue obstacle to the interchange of commodities between points in Canada, or

- (iv) an unreasonable discouragement to the development of primary or secondary industries or to export trade in or from any region of Canada or to the movement of commodities through Canadian ports,

and this Act is enacted in accordance with and for the attainment of those objectives to the extent that they fall within the purview of subject-matters under the legislative authority of Parliament relating to transportation.

CHAPTER III

FACTS AND FIGURES:

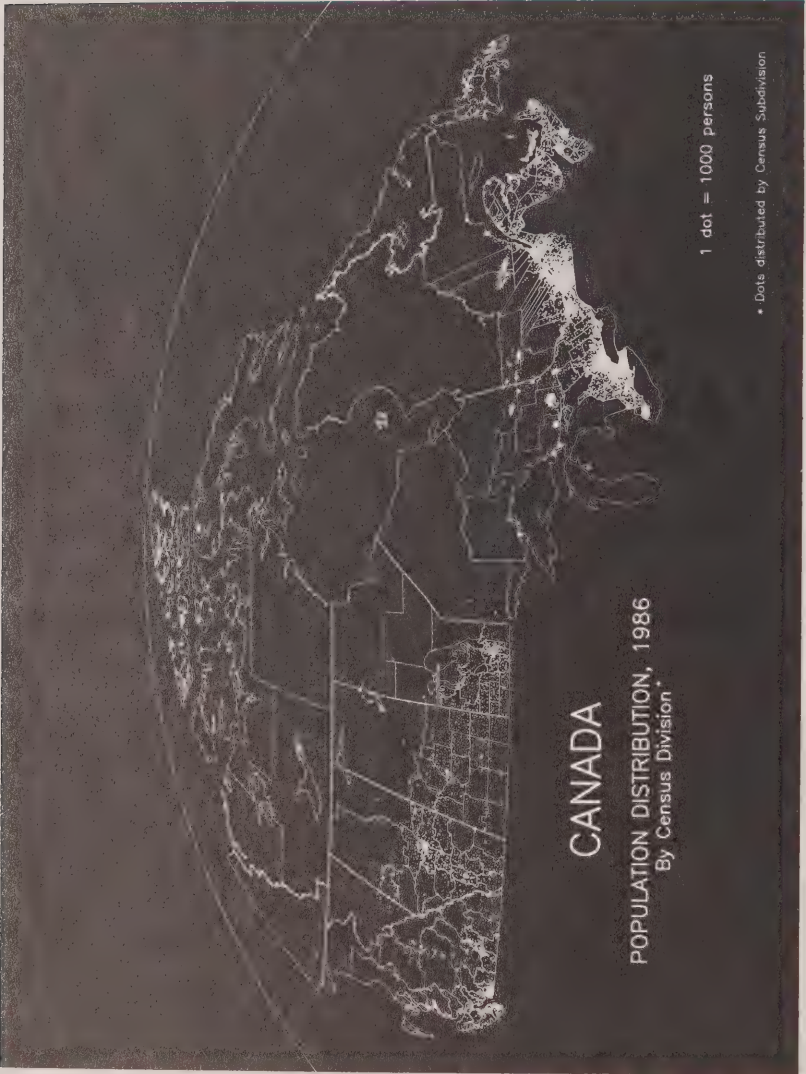
THE PASSENGER TRANSPORTATION SYSTEM

The nature of Canada's passenger transportation system is linked, to some extent, to geography and population. This country is a vast expanse of land, with the longest coastline in the world and an extremely low population density — three people per square kilometre. At the same time, most Canadians live in urban areas in the more southern parts of the country, along the Canada-United States border (see Chart III-1).

Since World War II, Canada's metropolitan areas have grown steadily as the population grew and as people moved to cities. Today, 77% live in communities of more than 1,000 people, while 60% live in metropolitan areas of 100,000 or more. Thus, the transportation system must both serve the population clusters and, at the same time, reach all Canadians from the Atlantic to the Pacific, and from the U.S. border to beyond the Arctic Circle.

Canada's transportation network is a complex grid of roads, airways, railways, and waterways. Thirteen million registered passenger motor vehicles — cars, buses and motorcycles — travel on over 875,000 kilometres of rural, urban and inter-city roads. In addition, Canadians are served by numerous

Chart III-1
CANADA'S POPULATION DISTRIBUTION, 1986



Source: Statistics Canada, 1986 Census of Canada.

public carriers: 303 airlines,¹ 6 intercity passenger railway companies,² 35 intercity bus companies, and 15 intercity ferry operators.³

This transportation system comes with a hefty price tag. Comprehensive data on the total cost of intercity passenger transportation are not available. Nevertheless, we estimate that in 1988 it cost in the range of \$30 billion for the provision of passenger services on intercity carriers; for the intercity portion of car use (including car purchase costs); and for the portion of government-provided infrastructure and other services that might be attributed to intercity passenger use. These costs are borne by individuals as consumers of transportation and as taxpayers, and by businesses that use intercity passenger transportation services in their production activities.⁴

As Canada heads into the 21st century, the challenge will be to mold and manage this system for the benefit of all Canadians. In Chapter II we reviewed how this system is governed. The next step is to understand how the system is used and financed. We would like to know who travels, for what purpose and how frequently. By what means do Canadians travel, where do they go, and how much does it cost? The answers to these questions provide an information base essential for the policy decisions that will shape the passenger transportation system of the future.

¹ Includes all carriers earning more than \$250,000 in the two years prior to 1988.

² VIA Rail, Algoma Central, Ontario Northland, British Columbia Railway, Quebec North Shore & Labrador Railway, and GO Transit. Although GO Transit is primarily an urban carrier, it does offer some intercity services. In addition, CN trains include some cars operated by VIA on remote routes, and CN and CP participate in the GO and Montreal commuter train services.

³ Excludes harbour ferries and river-crossing ferries except for the larger routes on the lower St. Lawrence River.

⁴ These components of the costs of intercity passenger transportation are discussed later in this chapter.

A DATA DETOUR

While we have considerable data on Canadian passenger transportation, this information does not always provide straightforward, reliable answers to the above questions. One major source of passenger transportation data is Statistics Canada's Canadian Travel Survey (CTS) which, once per quarter, every second year, asks a sample of Canadians about the intercity trips they have taken during the previous quarter. The CTS, which is sponsored by Tourism Canada and provincial tourism administrations, measures all domestic trips (same day or overnight) in excess of 80 kilometres in one-way distance, regardless of purpose of travel. Information is collected on the primary mode used; thus a trip from Kingston to Victoria, involving train to Toronto, airplane to Vancouver, and bus and ferry to Victoria, would be recorded as one air trip.

The CTS is the major source of information on the personal characteristics of travellers — age, residence, purpose of trip. For the public modes — air, rail, intercity bus and ferry — data are also available from the carriers (such as airline companies) on the number of passengers carried and, in many cases, on the passenger-kilometres of transportation provided. These carrier data provide a supplementary source of information on the volume of travel. For the most important intercity mode, the car, no comprehensive data source exists to supplement the Canadian Travel Survey. Rough estimates of total car travel, however, can be built up in other ways, such as using information on fuel consumption, average kilometres per litre of fuel, average number of occupants per car, and by making assumptions about the fraction of car use that is non-urban.

In general, the estimates of the number of passengers carried and passenger-kilometres travelled from the carrier and supplementary car travel data can be expected to be higher than the number of trips and passenger-kilometre estimates from the CTS, since:

- use of more than one mode on a trip is counted in the carrier data but not by CTS, which measures full trips. (For example, in the Kingston-Victoria illustration cited earlier, the carrier data would report the train, bus and ferry trips taken by the passenger, as well as the air trip; CTS would report only the air trip.);
- some intercity bus and train trips of less than 80 kilometres one-way will be included in carrier data but not in CTS (most ferry trips are less than 80 kilometres);
- CTS counts only travel by Canadians while carrier data includes travel by foreigners visiting Canada;
- often, carrier data will count separate legs of a trip as separate trips; for example, bus by one bus company from Montreal to Toronto, and by another bus company from Toronto to Niagara Falls. The CTS data count these two bus trips as one trip from Montreal to Niagara Falls;
- respondents to the Canadian Travel Survey may have a tendency to overlook trips, especially if they are travelling frequently and their travels include shorter (for example, same-day) trips by bus or car; and
- the CTS does not cover about 3% of the population, namely, residents of the Yukon and Northwest Territories, residents of Indian reserves, and people who are institutionalized. It also excludes members of the Armed Forces, long-distance commuters to school or work, and those relocating their residences.

Table III-1 shows estimates of domestic intercity trips or passengers carried and passenger-kilometres travelled, for each mode, from the Canadian Travel Survey and from carrier data or other sources. The differences in these estimates arise in part because these sources attempt to measure somewhat different things. As noted, the CTS attempts to measure complete trips over 80 kilometres in one-way length. The carrier data, and the car passenger-kilometre estimate, are more inclusive: they are attempts to measure all travel outside a single urban (including metropolitan) area. They also differ in that they attempt to count each time a mode is used, rather than each time a total trip is taken.

Table III-1
INFORMATION ON DOMESTIC INTERCITY TRAVEL
(from alternative sources, 1988)

	Car	Air	Intercity bus	Rail (excluding commuters)	Intercity ferries	Total
Trips (one-way, or passengers carried)						
CTS-based estimates						
• one-way trips						
millions	239	13.7	7.8	2.8	.6	264
%	91%	5%	3%	1%	.2%	100%
Carrier-based estimates						
• passengers carried						
millions	n/a	15	18.2	7.0	22.4	n/a
Passenger-kilometres						
CTS-based estimates						
billions	56.7	20.0	2.3	1.3	—	80.3
%	71%	25%	3%	2%	—	100%
Carrier-plus-alternative-car estimates						
billions	120 to 160	24.6	2.5 to 3.5	2.4	.8	170
%	82%	14%	2%	1%	—	100%
Implicit average trip length						
CTS-based estimates						
kilometres	240	1,460	290	460	n/a	300
Alternative estimates						
kilometres	n/a	1,600	160	340	35	n/a

Notes and Sources:

- Passengers-carried data include trips of less than 80 kilometres in length; a single one-way trip may correspond to several "passengers carried."
- CTS figures for round trips (Statistics Canada 87-504) have been multiplied by 2 to obtain one-way equivalents for comparison with other information sources. CTS passenger-kilometres are from Statistics Canada 51-204, 1988. CTS assigns trips to primary mode used. The total CTS-based estimate of one-way trips is slightly less than twice the total of CTS round-trips reported in this chapter, as the latter also includes a small number of trips for which no mode or other mode was specified.
- Air-carrier data are from Statistics Canada 51-204 for total (origin-to-destination) domestic trips between major city pairs. The figure from this source (13.6 million) was increased to 15 million to make rough allowances for passengers carried by smaller regional and commuter airline companies whose trips would not be included in the regular origin-destination survey. Those figures compare with 24.5 million passengers carried by domestic carriers on domestic flights (Statistics Canada 51-206). The latter figure would count separately the individual flights of a one-way trip involving change of aircraft (or change of flight number). Air passenger-kilometres are from Statistics Canada 51-206.
- Figures for intercity bus passengers carried are from Statistics Canada 53-215 and unpublished tabulations. Bus passenger-kilometres are based on reported vehicle-kilometres (157 million) and an assumed range of average number of passengers.
- Figures for intercity rail are from unpublished Statistics Canada data on passengers carried and passenger-kilometres. Note that if rail commuter services are included, total passengers carried rises to 26.7 million and total passenger-kilometres to 3.0 billion.
- Intercity ferry passengers carried and passenger-kilometres are estimates made by Commission staff from unpublished Statistics Canada data and from annual reports. Estimates exclude harbour ferries and river-crossing ferries, except for the lower St. Lawrence. B.C. Ferries carried 18 million of the 22.4 million ferry passengers carried. About half of the B.C. Ferries' passengers were on the major services between the Vancouver area and Vancouver Island. Many of the remaining B.C. Ferries' passengers were on short distance links, which some might prefer to exclude from the definition of intercity ferry services. (Some 25% of B.C. Ferries' passengers were on links of less than 10 kilometres.)
- The car passenger-kilometres estimate is derived as follows:

– retail pump sales of gasoline	30 billion litres
– assume 80% used in passenger vehicles	24 billion litres
– assume 12 litres/100 km	200 billion vehicle-kilometres
– assume 37.5% in non-urban travel	75 billion vehicle-kilometres
– assume average occupancy of 1.8 passengers	135 billion passenger-kilometres
- For the carrier-plus-alternative-car estimate, the total, the percentage distribution and the average trip-length are calculated using the mid-point of ranges shown for car, intercity bus, and intercity ferry.

For air travel, where virtually all trips by carrier are over 80 kilometres in distance, and given that air would generally be the primary mode in a trip using air plus one or more other modes, the two concepts are very close and the estimates from the alternative sources are fairly similar. For rail and intercity bus, the carrier data suggest that the numbers of passengers carried are substantially higher than for trips in which rail and intercity bus are the primary modes used (CTS). A large number of passengers are carried by operators of intercity ferries, but CTS reports few ferry trips because the ferry is not usually the primary mode used on a trip, nor do most ferry trips exceed 80 kilometres. The alternative rough estimate of non-urban car passenger-kilometres is more than twice the CTS estimate of passenger-kilometres in intercity car trips.

The CTS definition of an intercity trip is a reasonable one for such a survey, especially one oriented to tourism. However, trips shorter than 80 kilometres are also relevant, given our interest in the use of highways and in the intercity bus and ferry industries.

While the alternative ways of viewing intercity trips and travel (reflected in the alternative data sources) give rather different impressions, the leading role of the car comes through clearly, regardless of which data base is used. Air, which is used mainly for longer trips, is more important when viewed as a share of passenger-kilometres, than when viewed as a share of trips or of passengers carried.

There are substantial gaps in data on Canadian passenger transportation, particularly for car use and for information on points of initial origin and final destination of trips.

In the next section, “Today’s Travellers,” we use the CTS data on domestic intercity trips to provide an impression of the characteristics of travellers. In later sections, we use data from a variety of sources to sketch the features of the different modes.

TODAY’S TRAVELLERS

WHO THEY ARE

Travel varies by age group. As shown in Chart III-2, Canadians between 25 and 54 years of age are the ones who travel most frequently. Having established themselves in a career, these Canadians often travel for business and have incomes that permit frequent pleasure trips.⁵

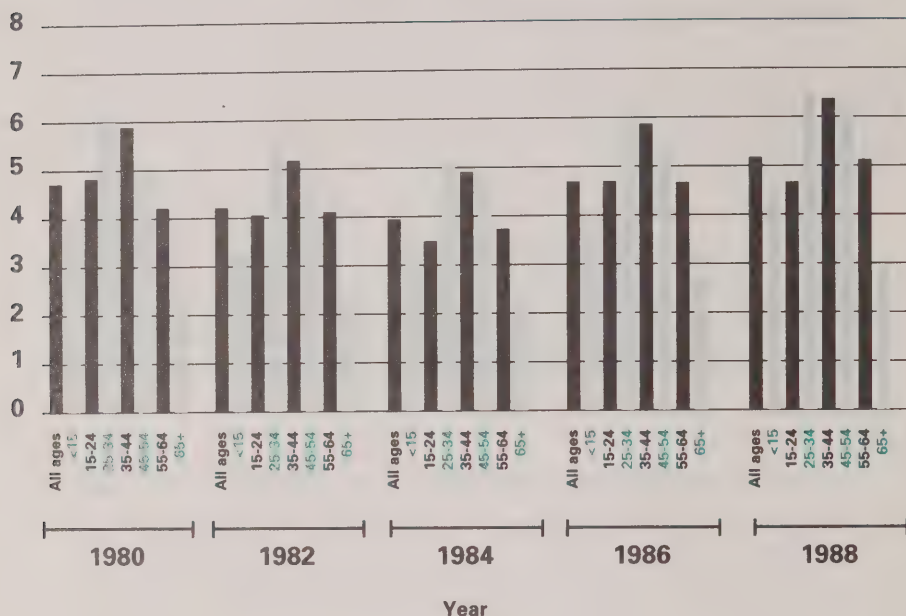
Another age group that travels frequently is the 55 to 64 year-olds. Either still working or just retired, these Canadians are usually no longer caring for children and have often finished paying for their homes. Their financial responsibilities are diminishing as their leisure time is increasing. The over-65s travel substantially less than those in other age groups — perhaps for reasons of health and limited retirement incomes — but their propensity to travel has increased over the years. With these age groups travelling more frequently, the “greying” of the population suggests a future transportation scenario in which healthy and financially comfortable seniors make new and increasing demands on the transportation system for pleasure travel.

⁵ This section sketches the travel patterns of broad segments of the population. Further discussion of travel by the elderly and the disabled is found in Chapter IV.

Chart III-2

FREQUENCY OF DOMESTIC INTERCITY TRAVEL BY AGE GROUP, 1980-1988

Trips per capita for each age group



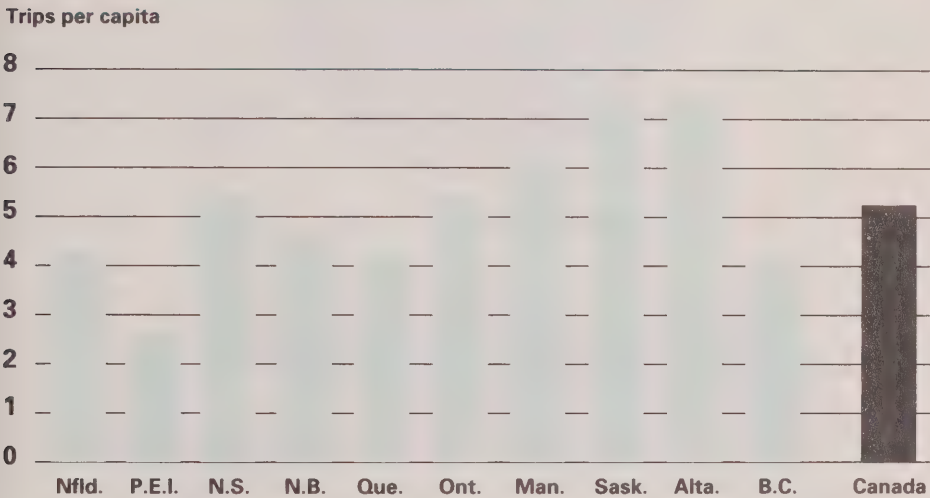
Source: Statistics Canada, *Touriscope 1988: Domestic Travel*, Catalogue No. 87-504, October 1989, p. 53.

Men generally travel more than women. In 1988, men took an average of 6.05 trips per year while women took 4.85 trips. These figures reflect the greater tendency of men to travel for business. Although a large number of women have entered the work force in the last ten years, more men occupy the sales, managerial and supervisory positions that require business travel. In a 1990 poll⁶ of Canadian travel habits, 49% of men said they had taken a business trip in the last two years, while only 26% of women said they had.

⁶ *Canadians' Perspectives on Issues Regarding Travel and Transportation Systems*, prepared by the Angus Reid Group in 1990 for the Royal Commission on National Passenger Transportation.

Prairie residents travel more frequently than Canadians in other provinces. In 1988, residents of Manitoba, Saskatchewan and Alberta took more trips per capita than residents of other provinces (Chart III-3). The low number of trips recorded for Prince Edward Islanders presumably reflects the fact that most trips within the province are less than 80 kilometres in one-way distance.

Chart III-3
PER CAPITA DOMESTIC INTERCITY TRAVEL BY PROVINCE, 1988



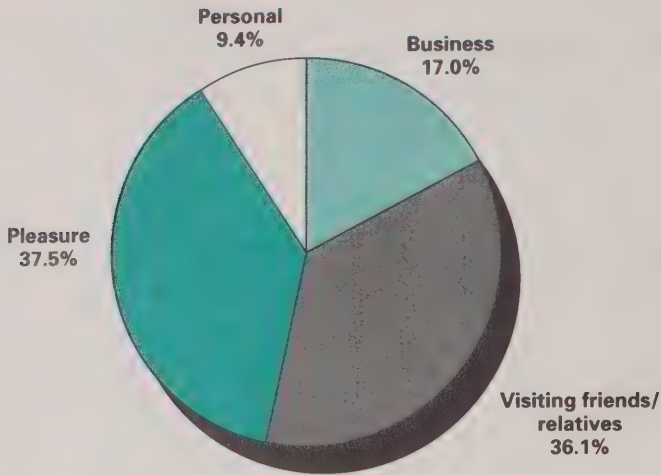
Source: Statistics Canada, *Touriscope 1988: Domestic Travel*, Catalogue No. 87-504, October 1989, p. 45.

WHY THEY TRAVEL

Most Canadians travel for pleasure. Some must travel for business purposes, but, as shown in Chart III-4, most travel for vacations, sightseeing and to visit friends and relatives. Out of the 133 million round trips that Canadians took in 1988, 98 million (74%) were for these purposes.

Chart III-4

DOMESTIC INTERCITY TRAVEL BY MAIN PURPOSE OF TRIP, 1988



Total person-trips: 133 million

Source: Statistics Canada, *Touriscope 1988: Domestic Travel*, Catalogue No. 87-504, October 1989, p. 45.

Note: Total includes a very small "not-stated" category.

Pleasure travel is a significant part of the Canadian lifestyle. In the poll on Canadian travel habits, many respondents gave reasons for pleasure travel that went beyond the desire to take a vacation, to see new places or to visit friends and relatives. For some, travel is educational, allowing them to broaden their minds and put their lives into perspective. Sixty-one percent "really like to meet new people when travelling" while 48% agreed that "For me, half the fun of travelling is the experience of getting there, the trip itself."

WHERE THEY TRAVEL

Canadians travel primarily within their own provinces. For example, as shown in Table III-2, 5,384,000 of the 6,557,000 trips that originated in Manitoba also had Manitoba

as the destination. The next-highest trip destination for Manitobans was a neighbouring province, Ontario. Visits to a neighbouring province accounted for the second-most frequent destination in the case of nearly all of the other provinces.

Table III-2 also illustrates that 6,110,000 trips taken in Canada had Manitoba as their destination. Of these, 726,000 did not originate in Manitoba: 234,000 originated in Saskatchewan, 145,000 in Alberta, and the remaining 347,000 originated in other provinces.

Table III-2
TOTAL DOMESTIC TRIPS TAKEN, BY PROVINCE, 1988
(THOUSANDS OF PERSON-TRIPS)

FROM TO	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	TOTAL, by desti- nation
Nfld.	2,229										2,410
P.E.I.		195	G98	112							518
N.S.		G66	3,801	346							4,695
N.B.		G56	416	2,528	G278						3,542
Que.				195	24,110	3,634					28,177
Ont.			222	111	3,360	44,927	551	G109	232		49,756
Man.							5,384	234	G145		6,110
Sask.							296	6,080	806		7,355
Alta.							G152	683	15,042	936	17,145
B.C.							G120	199	1,631	10,994	13,372
TOTAL, by origin	2,399	346	4,701	3,335	27,948	50,369	6,557	7,349	17,973	12,296	133,273

Source: Statistics Canada, *Touriscope 1988: Domestic Travel*, Catalogue No. 87-504, October 1989, p. 62.

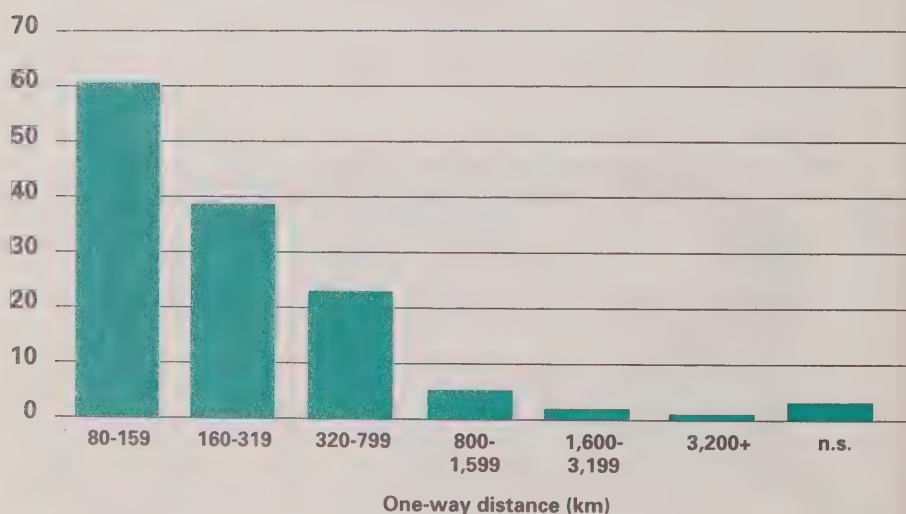
- Notes:
- “G” denotes that data are to be used with caution, due to high sampling variability.
 - Shaded areas denote that data are too variable to be released.
 - Total includes 193,000 trips for which no destination was stated.

Most trips are for short and medium distances. Not surprisingly, 75% of all intercity trips cover distances of between 80 and 320 kilometres, such as trips between Halifax and Charlottetown or between Quebec City and Montreal. Only 6% of domestic intercity trips are over 800 kilometres, such as trips between Vancouver and Edmonton and between Toronto and Regina. The predominance of shorter trips would be even greater if intercity travel were defined more broadly than it is in the CTS. The distribution of trip lengths is shown in Chart III-5.

Chart III-5

DOMESTIC INTERCITY TRIPS BY ONE-WAY DISTANCE, 1988

Millions of person-trips



Source: Statistics Canada, *Touriscope 1988: Domestic Travel*, Catalogue No. 87-504, October 1989, p. 45.

Note: n.s. = not stated.

International travel is increasing. In 1988, Canadians took roughly one intercity trip outside the country for every ten domestic trips (CTS data). The absolute number of overnight trips taken outside the country increased by 29% between 1980 and 1988, a faster rate of growth than experienced by domestic overnight travel, which increased by 7% during the same period. Canadians travel to the United States more than to any other country. In 1988, 83% of all foreign overnight trips were to the United States.

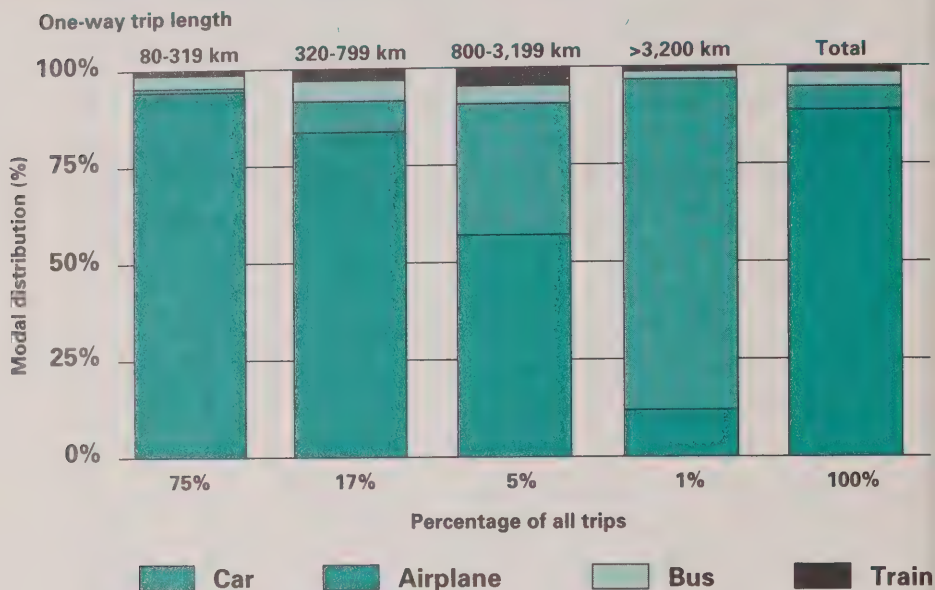
While our discussion has focussed on travel by Canadians, it is of course the case that Canadian transportation carriers and facilities serve visitors to Canada as well. Foreigners made more than 15 million trips of one or more nights' duration to Canada in 1988. Residents of the United States accounted for 82% of these visits. Overnight visits by foreigners increased by 21% between 1980 and 1988, with visits by U.S. residents increasing by 16% and overnight visits by residents of other countries increasing by 49%.

ON THE MOVE

The transportation mode that travellers choose depends on the length of trip, as shown in Chart III-6. For short trips (80 to 319 kilometres), cars are used 95% of the time, air almost never, bus about 3% of the time, and rail about 1% (CTS data). Use of cars falls to 81% for trips between 320 and 799 kilometres in one-way distance, while air jumps into second place with 12% for such trips. Bus and rail increase their shares to 4% and 3%. As trip lengths increase further, air's share increases and the shares of the other three modes decrease, with air having the dominant share — 87% — for trips in excess of 3,200 kilometres. For this transcontinental-trip category, cars have the second largest share — at 12%, and bus and rail each have less than 1%.

Chart III-6

DOMESTIC INTERCITY TRAVEL BY MODE AND TRIP LENGTH, 1988



Source: Unpublished data from Statistics Canada's Canadian Travel Survey.

BY CAR

Canadians travel primarily by car. The car offers independence, door-to-door service, the ability to carry additional passengers at little extra cost, convenience in handling luggage, and a private, comfortable space. In 1988, 66% of business trips and 90% of pleasure trips were by car (CTS data). Of those polled, 47% believe that the car is an inexpensive mode of travel, and 58% believe that car travel is one of the best ways to see and experience the country. Canadians' loyalty to the car remains steadfast, despite a growing awareness that it is a heavy consumer of energy and a significant polluter of the environment. Thirty-two percent of those polled agreed that: "My car is one of the most important possessions I own."

As shown in Chart III-6, this preference for the car is surpassed only in the case of one-way trips of over 3,200 kilometres, when the airplane becomes the preferred mode of travel.

Canadians' attachment to the car and their desire to travel has made them avid car buyers. In 1988, Canadians owned 12 million cars,⁷ approximately one for every 2.2 people. In the last three decades, the number of motor vehicle registrations in Canada has risen 300%, even though the population has increased by only 45%.

The widespread use of cars is supported by an extensive network of roads. Canada has more roads per capita (.034 kilometres per person) than the United States (.025 kilometres per person) — presumably reflecting this country's lower population density. Canada has more than 875,000 kilometres of rural, urban and intercity roads.

The nature of this road network varies substantially by province or territory, reflecting not only population and size, but also terrain and type of land use. As shown in Table III-3, the Saskatchewan and Alberta road networks are the longest (including unpaved rural roads). These provinces have extensive grids of rural roads that serve their large agricultural areas.

In addition to total road-system length, the table shows the total length of paved roads relative to population and geographical size. It also shows paved roads as a percentage of total roads.

⁷ This number includes taxis, and business and government cars.

Table III-3

ROAD AND HIGHWAY LENGTH^a BY PROVINCE/TERRITORY, 1988-1989

LENGTH PROVINCE/ TERRITORY	ALL ROADS			PAVED		
	Total System (km)	km/ 1,000 Pop.	km/ 1,000 km ²	Paved as a % of Total	km/ 1,000 Pop.	km/ 1,000 km ²
B.C.	65,848	21.9	73.8	57.8	12.7	42.7
Alta.	171,202	71.3	268.2	20.5	14.6	55.1
Sask.	194,325	192.4	340.9	9.2	17.7	31.4
Man.	84,926	78.3	155.1	12.6	9.9	19.5
Ont.	168,561	17.8	183.9	41.7	7.4	76.7
Que.	108,644	16.3	80.0	65.0	10.6	52.0
N.B.	20,620	28.8	288.1	29.9	8.6	86.2
N.S.	25,740	29.2	487.1	60.2	17.5	293.2
P.E.I.	5,242	40.6	926.1	70.9	28.8	656.5
Nfld.	11,884	20.9	32.0	68.8	14.4	22.0
N.W.T.	2,565	49.0	0.8	13.3	6.5	0.1
Y.T.	5,238	207.0	9.8	7.1	14.8	0.7
CANADA	879,530	33.8	95.6	31.8	10.8	30.4

Sources: System length: Transportation Association of Canada, *Canada's Roadway Infrastructure*, 1990, p. 8.

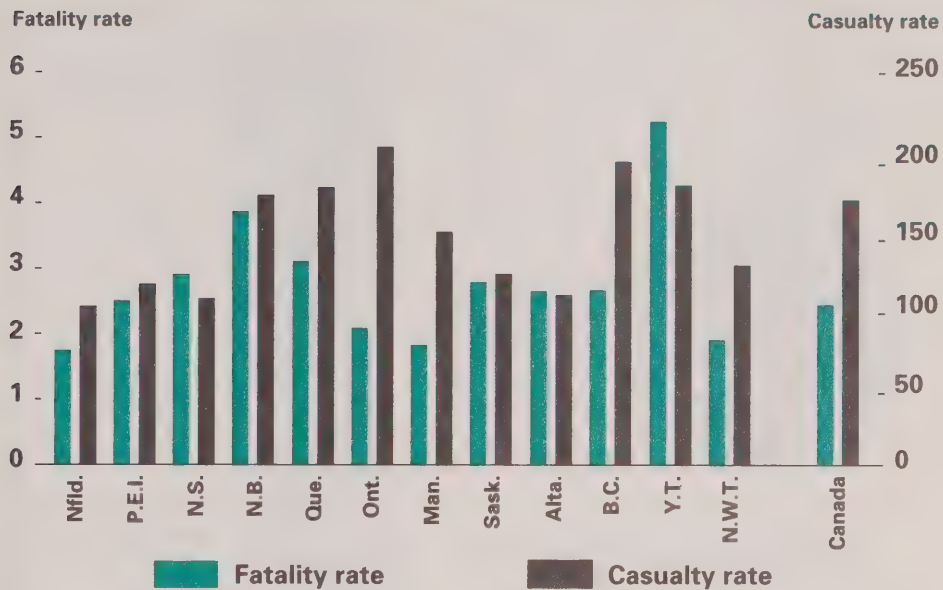
Population: CANSIM, Matrix 1.

Area: Statistics Canada, Catalogue No. 94-124, 1986 Census, Table 1.

- a
- In two-lane equivalent kilometres.
 - Canada total includes 14,735 kilometres of roads owned and maintained by the federal government but not included in the provincial/territorial figures.
 - Definition and standards vary by province.

The car is the most dangerous means of travel. There has been a marked decline in motor vehicle fatalities in Canada during the past 20 years. Even so, in 1988 there were 193,000 car accidents that involved injuries (273,500) and fatalities (4,100). Chart III-7 illustrates that the highest casualty rate occurred in Ontario, while the highest fatality rate occurred in the Yukon.

Chart III-7
FATALITY AND CASUALTY RATES PER 10,000 REGISTERED MOTOR VEHICLES, 1988

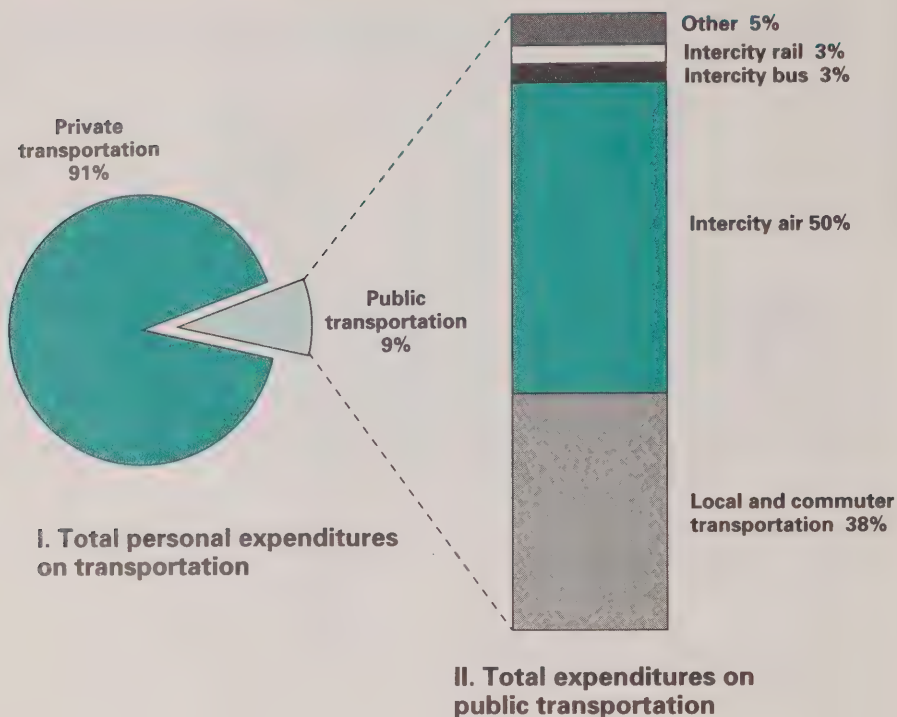


Source: Transport Canada, *Canadian Motor Vehicle Traffic Accident Statistics, 1988*, TP 3322.

The use of a personal vehicle consumes approximately 91¢ of the consumer transportation dollar. The most recent detailed data on consumer expenditure patterns are for 1986.⁸ In that year, Canadians spent \$37.5 billion, or \$4,200 per family, for private transportation for both urban and intercity travel. This amount includes the purchase or leasing of a car or truck, and the cost of fuel, parts, maintenance, insurance, parking, and registration and licence fees. In comparison, Canadians spent only \$3.7 billion, or \$420 per family, on public transportation, including local, commuter and intercity travel. This distribution is shown in Chart III-8.

⁸ The latest available data from the Family Expenditure Survey, conducted every four years.

Chart III-8
CONSUMER EXPENDITURES ON TRANSPORTATION, 1986



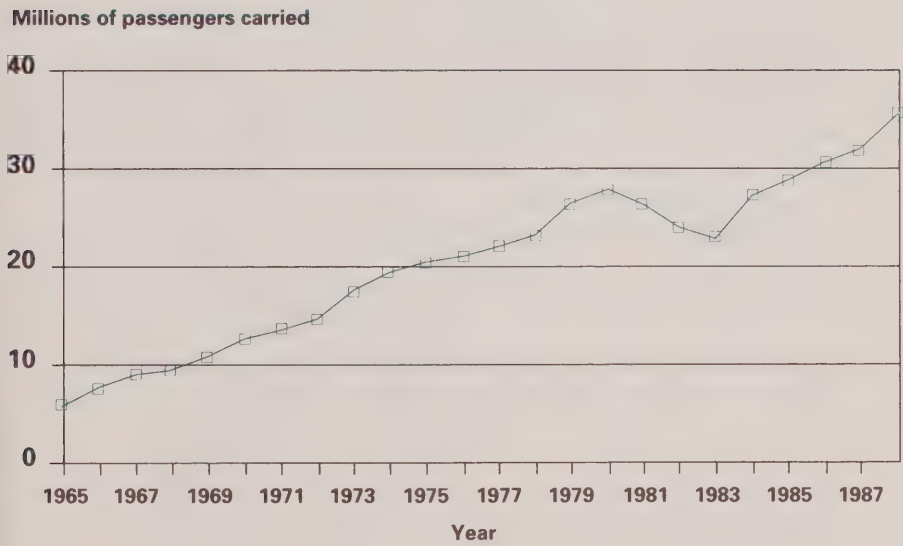
Source: Statistics Canada, *Family Expenditure in Canada 1986*, Catalogue No. 62-555, March 1989, pp. 153-154.

Our estimate of the total cost of intercity passenger transportation assumes that 35% of private car costs (including vehicle purchase costs) can be attributed to intercity passenger transportation. For 1988, this intercity transportation cost would be about \$16 billion. In addition, business use of cars for intercity passenger transportation may involve 1988 costs of between \$3 billion and \$5 billion.

BY AIRPLANE

Air travel is the most popular mode of public transportation. For long trips, Canadians tend to choose air travel. In 1988, 29% of business trips and 3% of pleasure trips were taken by air. Of those polled, 45% find air travel attractive any time of the year and believe it to be the most comfortable of all modes. Despite a downturn in the early 1980s, air passenger travel is still a growth industry, up from nearly seven million passengers in 1965 to 36 million in 1988, including domestic and international trips by Canadian carriers. This is shown in Chart III-9.

Chart III-9
GROWTH OF AIR TRAVEL, 1965-1988



Sources: 1965-1975: Statistics Canada, *Canada Yearbook 1990*, Catalogue No. 11-402E, November 1989, Table 13.1.

1976-1988: Statistics Canada, *Canadian Civil Aviation*, Catalogue No. 51-206.

Air travel is supported by 449 airports with scheduled carrier service, 61 of which have air traffic control towers. In 1989, 42.6% of all domestic air trips took place between ten city-pairs, involving eight large Canadian cities: Vancouver, Calgary, Edmonton, Winnipeg, Toronto, Ottawa, Montreal and Halifax. The busiest route was Montreal-Toronto, with 10% of trips, followed by Toronto-Vancouver and Ottawa-Toronto, with 6% each. The routings are shown in Chart III-10.

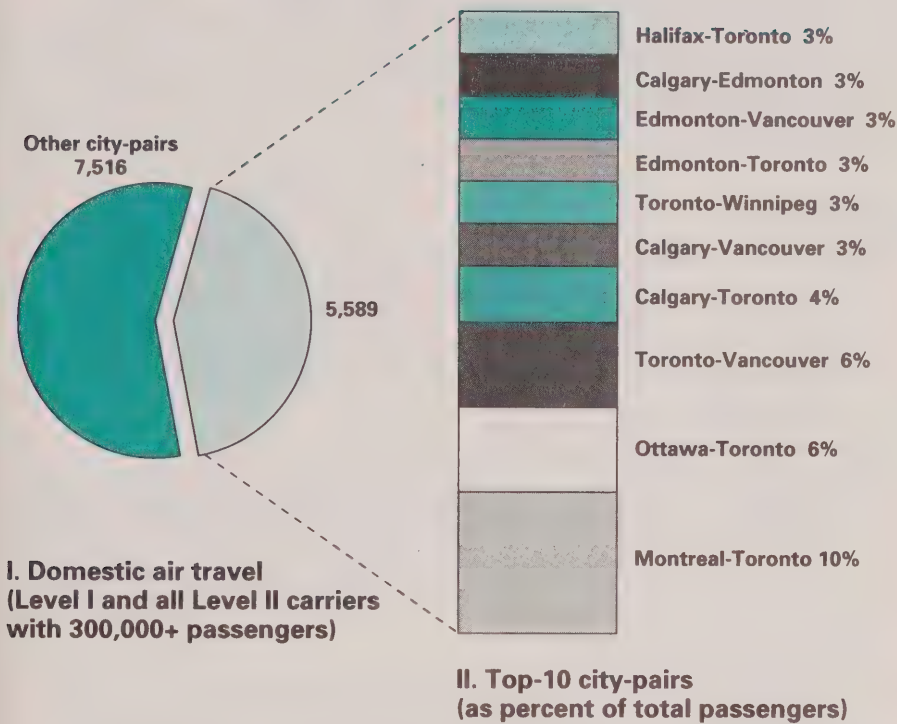
Substantial growth in the airline industry during the past five years has increased traffic at major airports. Hub-and-spoke operations have concentrated traffic at these airports, particularly Toronto's Pearson International Airport, which airlines use as a major hub in central Canada.

Major Canadian air carriers have very few accidents. In the five years ending in 1989, Level I carriers, the major airlines, had a total of nine accidents and no fatalities. Level II carriers, which flew less than half as many hours as Level I carriers, had 23 accidents in which 35 died.⁹ The smallest categories of carriers, together with general aviation — which includes the air equivalent of the private car — had higher accident and fatality rates. These categories had 2,337 accidents and 489 fatalities during the five-year period. Whereas the average annual accident and fatality rates for Level I carriers were .3 and 0, respectively, per 100,000 flying hours,¹⁰ the average annual accident and fatality rates for the Level II carriers were 1.4 and 1.5, respectively, per 100,000 flying hours. The average annual accident and fatality rates for the smallest carriers and general aviation combined were 19.7 and 4.1, respectively, per 100,000 flying hours.

⁹ Thirty-one of these fatalities occurred in a crash at Dryden, Ontario in 1989.

¹⁰ We would have preferred to compare accidents and fatalities per passenger-kilometres, but no passenger-kilometre data are available for general aviation.

Chart III-10
AIR TRAVEL FOR CITY-PAIRS, 1989
 (THOUSANDS OF PASSENGERS)



Source: Statistics Canada, *Air Passenger Origin and Destination, Domestic Report 1989*, Catalogue No. 51-204, December 1990, pp. 7-8.

- Notes:
- Data are for full origin-destination trips. Thus the figure shown for Montreal-Toronto includes any trips involving these cities as origin and destination; it does not include, for example, air travel between Montreal and Toronto as part of a longer trip.
 - Includes all trips by Level I and larger Level II carriers. Airlines are classified by levels according to type of licence, gross operating revenues and the number of passengers flown and/or amount of freight carried. Air Canada and Canadian Airlines International Ltd. are Level I carriers, transporting 1,000,000 or more revenue-passengers in each of the two years preceding the report year. Level II carriers are those that carry more than 50,000 passengers but less than 1,000,000 revenue-passengers.

Air travel consumes approximately 4.5¢ of Canadians' consumer transportation dollar. In 1986, consumers spent \$1.8 billion on domestic and international air transportation. This sum only reflects travel for personal reasons. With airline companies receiving about \$5 billion in fare revenues, over half of the expenditure on air travel appears to have been for business purposes, often paid for by employers, including governments.

BY RAIL

Intercity rail transportation is not widely used. Canadians' use of the car or airplane has been at the expense of intercity rail transportation. Although many of the Canadians who were polled find train travel to be relaxing (49%), environmentally friendly (47%), and a good way to meet people (60%), they do not often

Trains are a safe means of travel. There were no passenger fatalities in either 1988 or 1989.

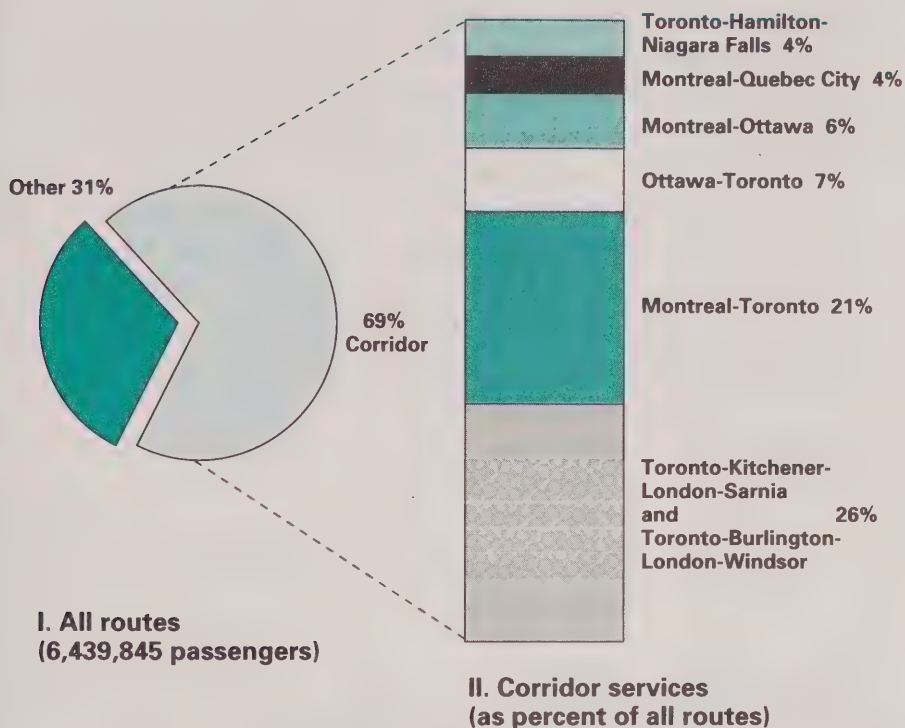
choose to travel by rail. In 1986, 7% of households reported some expenditure on intercity rail.¹¹ Cutbacks in passenger rail service since 1989 have caused a decline in passenger volume. VIA Rail carried 45% fewer passengers in 1990 than it did in 1989. Even with this reduction, VIA is expected to carry more than 80% of total intercity rail passengers.

Train travel is concentrated in the Quebec City-Windsor corridor. As shown in Chart III-11, most of VIA's intercity rail passengers in 1988 (69%) travelled in the high-density, 1,200-kilometre corridor between Windsor and Quebec City.

¹¹ This compares with 13% of households who reported some expenditure on intercity bus, and 22% who reported some expenditure on air.

Chart III-11

VIA RAIL PASSENGERS CARRIED: TOTAL AND CORRIDOR SERVICES, 1988



Source: Transport Canada, *Information*, No. 120/89, October 4, 1989.

Commuter rail is growing. While use of rail for intercity services did not grow during the 1980s, and declined in 1990 with the VIA cuts, the number of passengers carried on the GO Transit system that serves the metropolitan Toronto area, and the commuter rail services in the Montreal area, has grown in the past five years.

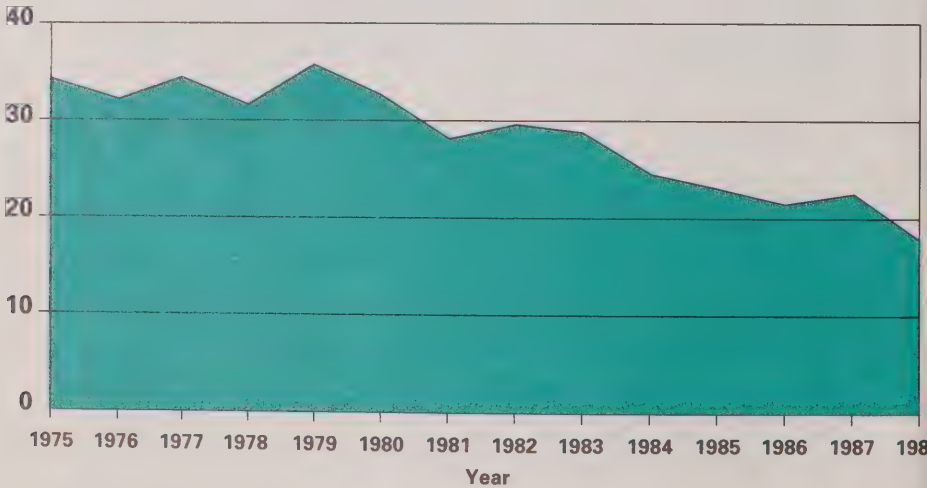
BY BUS

Intercity bus transportation has not grown. Although 39% of Canadians polled believe that bus travel is inexpensive and 37% find it a good way to meet people, passenger volume has tended to decline. As shown in Chart III-12, 34 million passengers rode scheduled intercity buses in 1975, compared with 18 million in 1988.¹² For the first six months of 1990, although the total number of passengers was lower than it was for the first six months of 1989, total vehicle-kilometres increased by 4% and revenues increased by 17%. This suggests greater use of bus for somewhat longer trips, presumably at least in part because of the VIA cuts.

Chart III-12

SCHEDULED INTERCITY BUS TRANSPORTATION, 1975-1988

Millions of passengers carried



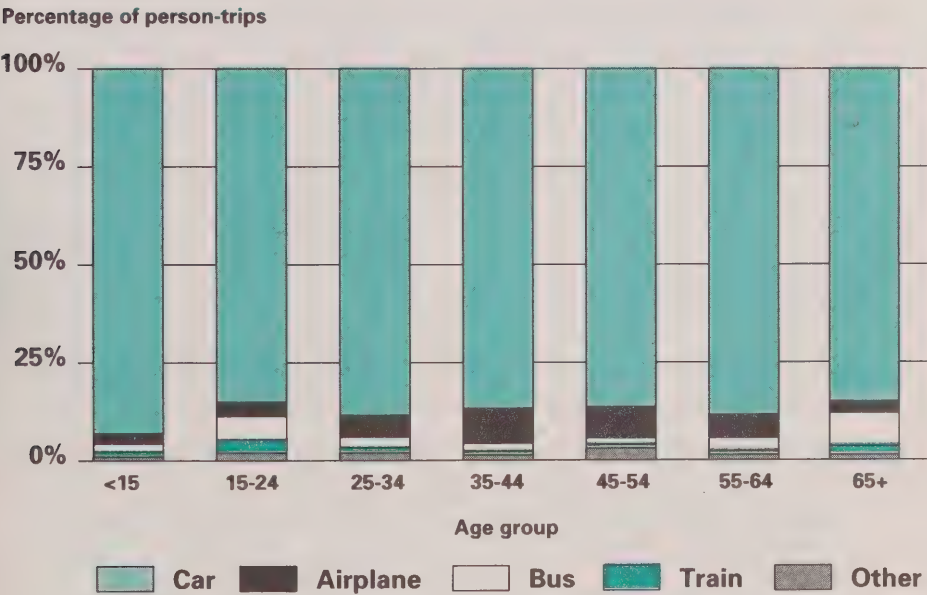
Source: Statistics Canada, *Passenger Bus and Urban Transit Statistics*, Catalogue No. 53-215, 1975-1987, and unpublished Statistics Canada data.

¹² This figure refers to total ridership and is not limited to trips over 80 kilometres.

The intercity bus industry provides the most extensive coverage of any form of public transportation. Many Canadians live in rural and small urban areas that are not accessible by rail or air transportation, but are served by bus companies. Buses serve about 3,000 communities, while rail and air each serve about 500. Buses travel to most regions of Canada, with regional carriers offering a mix of scheduled, charter, tour and school services.

Young adults and those over 65 years of age travel more often by bus than other Canadians. Chart III-13 illustrates that bus transportation is the third choice of most Canadians for intercity travel. It ranks second, however, for those who are over 65 and those who are in the 15-24 age group. Eight percent of all trips taken by people in these groups were by bus.

Chart III-13
PERCENTAGE OF TRIPS BY MODE FOR EACH AGE GROUP, 1988



Source: Unpublished data from Statistics Canada's Canadian Travel Survey.

BY FERRY

Ferries provide an important transportation link for many Canadians. Marine transportation connects Prince Edward Island, Newfoundland, Vancouver Island, and other islands to the mainland. In addition to the major ferry operations serving these and other routes, many ferry services provide river crossings and are, in effect, an essential part of highway systems. A number of these shorter crossings, some of which are toll-free, are operated by provincial highway departments.

THE TAXPAYER'S DOLLAR

Governments provide key parts of the intercity transportation network by constructing, operating and maintaining airports, highways and harbour facilities. Taxpayers' dollars also provide direct financial assistance to some carriers — primarily rail, ferry and urban transit. In addition, governments collect revenues associated with transportation use. Some of these, such as fuel taxes, and motor vehicle registration and licence fees, are treated by governments as general tax revenues; others, such as the air transportation tax and airport fees, are assigned directly to help defray related government transportation expenditures.

WHAT GOVERNMENTS SPEND

Spending by all governments for both passenger and freight transportation in 1988 is estimated to total \$15 billion. This amount consists of expenditures by federal, provincial and municipal governments to provide direct financial assistance for the carriage of freight and passengers by rail, ferry, air, intercity bus and urban transit systems. It also includes total expenditures for road, airport and port facility construction and maintenance, and for air and marine navigation.

This amount excludes other expenditures that are not traditionally included in transportation department budgets, but are associated with transportation activities, such as police costs related to traffic-law enforcement, and health-care costs related to accidents. Nor does this amount include any estimates of the costs of congestion and pollution.

As shown in Table III-4, it is estimated that each level of government spent about \$5 billion on total transportation in 1988. These amounts reflect "who spends," rather than "who finances." In some cases, the provinces and municipalities spent funds that were provided by other levels of government in the form of transfer payments. For example, in 1988 the federal government transferred approximately \$200 million in transportation-related payments to the provinces, most of which were used for highway construction. The federal government also made general-purpose transfers to provinces (such as equalization payments), some of which could be viewed as funding provincial transportation expenditures. As well as directly supporting some urban roads and public transit, the provinces made transfer payments to municipalities for roads, totalling approximately \$1 billion in 1988.

Federal and provincial expenditures per capita vary from province to province. As shown in Chart III-14, in 1988 government funding per capita for transportation was highest in the Yukon and Northwest Territories and lowest in Ontario and Quebec.

Although transportation is a significant part of total government expenditures, the amount of government spending on transportation in relation to overall expenditures has been declining. The \$15 billion spent in 1988 were less than 6% of total government expenditures, compared with about 8% ten years ago.

Table III-4

GOVERNMENT EXPENDITURES ON TRANSPORTATION BY MODE
(PRELIMINARY AND APPROXIMATE) FISCAL 1988-1989

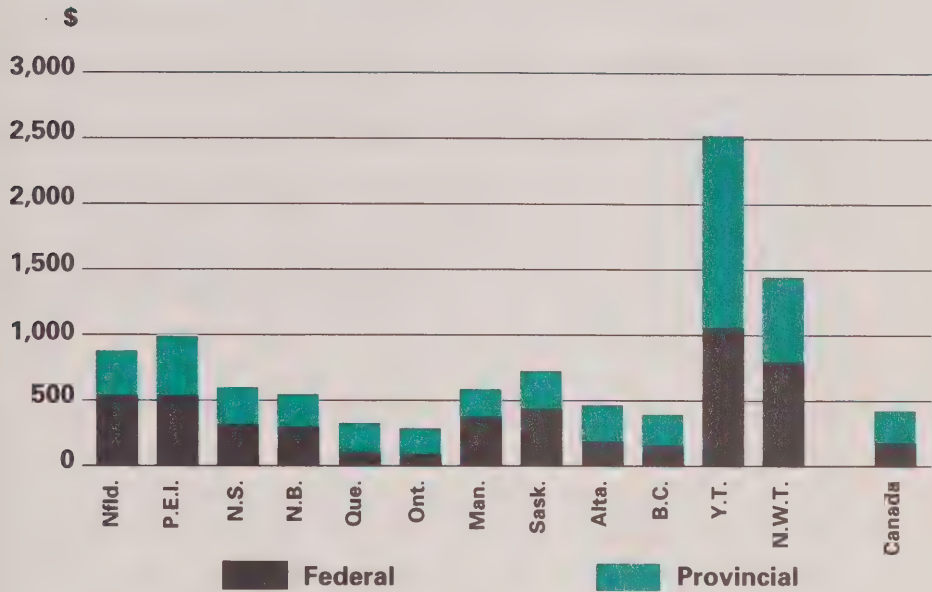
	Road	Urban transit	Air	Rail	Marine	Intermodal/ not-allocated	Total
Total transportation* (\$ billion)							
Federal							
Direct payments:							
Carriers	.1	—	—	1.6 ^a	.1	—	1.8
Other	.2	—	1.4	—	.9	.1	2.7
Total	.3	—	1.4	1.6	1.1	.1	4.4
Provincial							
Direct payments:							
Carriers	—	.9	—	—	.1	—	1.1
Other	4.0	—	.1	—	—	.1	4.3
Total	4.0	1.0	.1	—	.1	.1	5.4
Municipal							
Direct payments:							
Carriers	—	.1	—	—	—	—	.1
Other	5.0	—	—	—	—	.2	5.2
Total	5.0	.1	—	—	—	.2	5.2
All governments							
Direct payments:							
Carriers	.1	1.0	—	1.6	.2	—	2.9
Other	9.2	—	1.5	—	1.0	.3	12.1
Total	9.3	1.0	1.5	1.6	1.2	.3	15.1
Allocation to intercity passenger transportation* (\$ billion)							
Federal							
Direct payments:							
Carriers	—	—	—	.6	.1	—	.7
Other	.1	—	1.2	—	0 to .1	.1	1.4 to 1.5
Total	.1	—	1.2	.6	.1 to .2	.1	2.1 to 2.2
Provincial							
Direct payments:							
Carriers	—	—	—	—	.1	—	.1
Other	2.0 to 3.0	—	.1	—	—	.1	2.2 to 3.2
Total	2.0 to 3.0	—	.1	—	.1	.1	2.2 to 3.2
Municipal							
Direct payments:							
Carriers	—	—	—	—	—	—	—
Other	.8 to 1.5	—	—	—	—	—	.8 to 1.5
Total	.8 to 1.5	—	—	—	—	—	.8 to 1.5
All governments							
Direct payments:							
Carriers	—	—	—	.6	.2	—	.8
Other	2.9 to 4.6	—	1.3	—	0 to .1	.2	4.4 to 6.2
Total	2.9 to 4.6	—	1.3	.6	.2 to .3	.2	5.2 to 7.0

a Includes \$1 billion for rail freight, of which almost \$800 million were accounted for by payments under the *Western Grain Transportation Act* (Crow rate payments).

- Notes:
- Commission staff calculations are based on data from Statistics Canada and Transport Canada.
 - Capital spending is included with operating spending on a cash basis.
 - Components may not add to totals due to rounding.

Chart III-14

FEDERAL AND PROVINCIAL GOVERNMENT TRANSPORTATION EXPENDITURES PER CAPITA
BY PROVINCE/TERRITORY, 1988-1989



Source: Transport Canada, *Government Expenditures on Transportation by Province, 1985-86 to 1988-89*, TP 7064, March 1990.

Note: These data exclude municipal expenditures on transport (included in Table III-4).

Roads and public transit are financed primarily by provincial and municipal governments, and account for approximately two thirds of total government spending on transportation. As suggested by the lower panel of Table III-4, roads alone appear to account for more than half of total government spending on intercity passenger transportation. Public transit costs — the part of urban bus and subway operations not covered at the farebox — are being shouldered more and more by provincial governments.

Most federal spending is on air, rail and marine services. In 1988, the federal government spent \$1.4 billion on air transportation, most of which can be attributed to passenger travel. This sum included the construction and operation of airport facilities and the operation of air navigation and traffic control services. Passenger-rail subsidies in 1988 were just over \$600 million; government expenditures to assist carriage of freight by rail totalled \$1 billion, of which almost \$800 million were accounted for by payments under the *Western Grain Transportation Act*. Government costs for marine transportation in 1988 totalled \$1.2 billion. This included ferry subsidies, as well as the cost of running the Coast Guard, and port and navigational facilities.

Much government transportation infrastructure simultaneously serves both freight and passenger transportation. For example, governments pay for the construction and maintenance of roads used by trucks as well as by cars and buses. For the purposes of this report, however, we would like to identify the approximate proportion of spending devoted to intercity passenger transportation.¹³ The lower part of Table III-4 provides a rough estimate of this.

To arrive at the estimates in the lower panel, we had to make some assumptions, since little or no data are available in this form. For example, provincial highway expenditures are shown in a range of \$2 to \$3 billion. This range is intended to reflect alternative views as to the fraction of road costs (one half to three quarters) that should be assigned to cars and buses, rather than trucks. A significant portion of spending on municipal roads is for roads outside of urban areas. The range of \$.8 to \$1.5 billion shown reflects some uncertainty about the fraction of municipal spending on such roads, as well as uncertainty about how much of this spending should be attributed to cars.

¹³ The analysis of government expenditures and revenues associated with intercity passenger transportation will be developed further for the Commission's final report.

Government spending on aviation supports air freight and general aviation, as well as regular passenger aviation. However, we assume that the bulk of these expenditures can be attributed to passengers. We also assume that, apart from payments to cover deficits on ferry services, only a modest fraction of government marine expenditures should be attributed to passenger ferry operations. These calculations suggest that somewhat more than one third of total government transportation expenditures, or roughly \$6 billion in 1988, was associated with intercity passenger transportation.

WHAT GOVERNMENTS RECEIVE

Total government revenue from transportation-related charges and taxes in 1988 was \$9.6 billion (see Table III-5).¹⁴ This amount represents 4.1% of total government revenues of \$236 billion. It includes revenues from special federal and provincial taxes on fuel (\$6.7 billion), the federal air transportation tax and airport revenues (\$1 billion), and provincial fees for drivers' licences and vehicle registrations (\$1.9 billion). While only a few of these taxes and charges are officially earmarked to help defray transportation expenditures, they all affect the relative costs faced by consumers when they use the different modes, and thus affect their travel decisions.

Fuel taxes accounted for 70% of transportation-related revenues. The provinces levy special taxes, rather than general sales taxes, on gasoline, diesel, and aviation fuel. Gasoline is subject to a higher rate of taxation at the provincial level than other taxed consumer goods. On average, the special taxes raise three times the revenues on fuel than would be raised by a tax at the general provincial retail sales tax rate.

¹⁴ We have not included any local property taxes as a transportation-related revenue, although a fraction of these taxes could be viewed as a charge for local access roads.

In 1988, provincial governments collected \$4.2 billion in fuel taxes, of which \$1.1 to \$1.3 billion might be attributed to taxes on the use of fuel in intercity passenger transportation, as shown in the lower panel of Table III-5.

*PRINCIPAL GOVERNMENT REVENUES ASSOCIATED WITH TRANSPORTATION BY MODE
(PRELIMINARY AND APPROXIMATE) FISCAL 1988-1989*

	Road	Air	Rail	Marine	Total
Total transportation (\$ billion)					
Federal					
Motive fuel excise tax	2.2	.2	.1	—	2.5
Air transportation tax	—	.5	—	—	.5
Airport revenues	—	.5	—	—	.5
Total	2.2	1.2	.1	—	3.5
Provincial					
Motive fuel taxes	4.0	.1	.1	—	4.2
Motor vehicle licences and permits	1.9	—	—	—	1.9
Total	5.9	.1	.1	—	6.1
All governments					
Total	8.1	1.3	.2	—	9.6
Allocation to intercity passenger transportation (\$ billion)					
Federal					
Motive fuel excise tax	.6 to .7	.1	—	—	.7 to .8
Air transportation tax	—	.5	—	—	.5
Airport revenues	—	.4	—	—	.4
Total	.6 to .7	1.0	—	—	1.6 to 1.7
Provincial					
Motive fuel taxes	1.0 to 1.2	.1	—	—	1.1 to 1.3
Motor vehicle licences and permits	.5	—	—	—	.5
Total	1.5 to 1.7	.1	—	—	1.6 to 1.8
All governments					
Total	2.1 to 2.4	1.1	—	—	3.2 to 3.5

Notes: • Commission staff calculations are based on data from Statistics Canada and Transport Canada.

- As noted in the text, some fraction of local property tax revenues might also be viewed as a charge for local access roads.

The federal government raises taxes on gasoline and diesel fuel by charging a special tax as well as a general federal sales tax. In 1988, the federal government raised \$2.5 billion from the special tax on fuel, with \$.7 to \$.8 billion attributable to intercity passenger transportation.

Federal revenues from air transportation taxes and charges were \$1 billion. The federal government charges a tax on airline tickets (fares), which generated approximately \$500 million in 1988. Charges to users of airports, including carriers and concessionaires, added an additional \$500 million.

As with expenditures, revenues may be attributed to passengers or freight, and to urban or intercity transportation. The lower panel of Table III-5 shows approximate amounts allocated to intercity passenger transportation; a key assumption in allocating gasoline tax revenues is that 35 to 40% of gasoline is consumed in non-urban driving.

THE BOTTOM LINE

We believe that data on two aspects of passenger transportation costs are fundamentally important in considering transportation policy: the net amount that taxpayers provide to support the various modes of transportation, and costs that are not reflected directly in government or private expenditures, such as environmental costs. Both these areas are being pursued in our research program. Given the preliminary state of our research, at this stage we can provide only rough estimates of net government costs, and in general can only note the existence of some of the broader social costs. The preliminary and approximate estimates on net government costs are provided, in part, to respond to the plea, by so many who have appeared before us, for even

the roughest of information. We hope that our first attempts will stimulate other people to suggest improvements and help us to do a more complete job in our final report.

The net government costs per passenger-kilometre referred to below and in Table III-6 are expressed as ranges applicable to Canada-wide averages. The ranges applicable to passenger service on some individual routes differ substantially from such system averages. Often, information applicable to individual routes, rather than to system averages, is needed when considering particular policy issues.

Table III-6

INTERCITY PASSENGER TRANSPORTATION: ESTIMATES OF EXCESS OF GOVERNMENT SPENDING OVER REVENUES PER PASSENGER-KILOMETRE, BY MODE (PRELIMINARY AND APPROXIMATE) FISCAL 1988-1989

	Road	Air	Rail	Marine	Total ^a
Excess of expenditures over revenues (\$ billion)					
Federal	(.5) to (.6)	.2	.6	.1 to .2	.5
Provincial	.8 to 1.7	—	—	.1	1.0 to 1.9
Municipal	.8 to 1.5	—	—	—	.8 to 1.5
Total:					
All governments	1.1 to 2.6	.2	.6	.2 to .3	2.3 to 3.9
Passenger-kilometres (billion)	120 to 160 ^e	25 ^c	2.4	.8	150 to 190
Net government costs^d per passenger-kilometre (¢/kilometre)					
All governments	1 to 3¢	1¢	25¢	25 to 35¢	1 to 4¢

a Also includes intermodal expenditures and other expenditures not allocated to modes.

b For provincial gasoline taxes, only revenues in excess of general retail sales tax rates are accounted for.

c Domestic air travel only. In the case of air, some of the expenditures relate to international operations of Canadian and foreign carriers that also use Canadian airports and airspace.

d Allows for possible differences between capital expenditures on a cash basis and annual capital and depreciation costs of infrastructure (see text).

e Estimates for cars only.

Notes: • Commission staff calculations.

• () indicates excess of revenues over expenditures.

Table III-6 shows most of the components that enter into our estimate of net government costs per passenger-kilometre. The top panel shows the excess of intercity passenger transportation expenditures (Table III-4) over revenues (Table III-5). In the case of provincial motive fuel tax revenues, the figure from Table III-5 is adjusted to include only the amount of revenue over and above that which would be raised by applying the general retail sales tax to gasoline. This is considered to be the relevant amount when developing an overall estimate of the relative government treatment of different transportation modes. The estimates of passenger-kilometres used in the calculation, taken from Table III-1, are shown in the middle panel. Finally, the lower panel shows net government costs per passenger-kilometre. For the most part, the net costs are the excess of expenditures over revenues shown in the top panel. For cars, however, as noted in the text below, the range shown allows for possible differences between current cash expenditures and the longer-run average costs of building and maintaining the road network.

Car and bus transportation: As noted in the discussion of government expenditures, the portion of highway costs that should be attributed to cars and buses cannot be determined precisely. Furthermore, these costs can be measured either by determining the actual expenditure on road construction in the year in question (as in Table III-4 and repeated in the top panel of Table III-6), or by using estimated annual costs of capital and depreciation for the road network. Our preliminary work suggests that the latter approach might yield cost estimates that are about 30% higher than current cash expenditures. Finally, the per-passenger-kilometre estimate of net government expenditures to support intercity travel by car is subject to uncertainty about the total amount of intercity car travel.

Depending on the figures used, government expenditures for intercity car travel appear to be in the range of 2.5¢ to 4¢ per passenger-kilometre. If we subtract passenger-related provincial fuel tax revenues (in excess of the level corresponding to general retail sales taxation), and passenger-related provincial licensing and registration revenues from road costs, the net expenditure appears to be in the range of 1.5¢ to 3.5¢ per passenger-kilometre. Subtracting the federal motive fuel tax further reduces net government costs to the 1¢ to 3¢ range (see Table III-6). Any net government cost per passenger-kilometre on bus travel would be small.

In addition to these financial costs, car travel has a high rate of fatalities and injuries per passenger-kilometre compared with other modes, and relatively high levels of emissions of pollutants. Assuming an average intercity occupancy rate of about two passengers, the fuel consumed per passenger-kilometre and the associated production of carbon dioxide (CO₂) are also high. Bus travel is both safer than car travel and has the lowest average fuel consumption per passenger-kilometre, at average occupancy rates.

Air transportation: In addition to federal expenditures, government spending on air includes direct payments by some provincial governments for remote air services and some provincial expenditures on airports. In calculating the extent to which taxpayers support intercity passenger air travel, we have assigned the bulk of government aviation expenditures and aviation-related revenues to passenger travel. If one were to take all of these passenger-related expenditures and revenues arising from domestic air travel, and divide them by the 25 billion domestic passenger-kilometre figure, government expenditures for air travel would be about 5¢ per passenger-kilometre. Allowing for the air transportation tax, airport revenues, and aviation fuel taxes, the net government cost for air travel would be approximately 1¢ per

passenger-kilometre. The fact that some of the expenditures and revenues should be attributed to international flights by Canadian carriers and flights by foreign carriers in Canadian airspace tends to reduce the per passenger-kilometre numbers, but probably not enough to take the net government costs below 1¢ per passenger-kilometre.

Air travel by scheduled carriers is safe. General aviation, however, has a much higher average fatality and injury rate. Fuel consumption per passenger-kilometre, and thus CO₂ production, is somewhat higher, on average, for air than for car travel, especially on shorter flights.

Rail transportation: Calculating taxpayer support for intercity passenger rail is relatively straightforward, although our estimates are still subject to uncertainty. Expenditures on VIA Rail of \$607 million in 1988,¹⁵ divided by 2.1 billion — the number of VIA revenue passenger-kilometres travelled in that year — yields a net government expenditure figure of 29¢ per passenger-kilometre; VIA accounted for almost 90% of all intercity rail passenger travel. Federal payments to VIA for capital spending in 1988 were higher than usual. An allowance should be made for revenues from taxation of rail diesel fuel and — for comparability with other modes — for the fact that railways pay property tax on their infrastructure while other modes generally do not.

When we take these additional elements into account, the net government expenditure appears to be in the 25¢+ range, per passenger-kilometre. (Even though VIA incurred high costs per passenger-carried on its remote services, if these services are not included in the calculation, the average net cost is still in excess of 20¢ per passenger-kilometre on the non-remote routes.)

¹⁵ Fiscal year 1988-1989.

Passenger rail travel is safe. Fuel consumed per passenger-kilometre, and thus production of CO₂, varies widely with the number of passengers carried and the type of equipment or service. For some passenger rail services that have high occupancy rates and use modern, lighter-weight, high-capacity rolling stock, fuel consumption per passenger-kilometre can be as low as or lower than that for bus. Fuel consumption for some other services, however, can be higher than that for car or air.

Ferry transportation: For intercity ferries during 1988, we estimate that direct financial assistance for carrying passengers and passenger vehicles was just under \$200 million. Other government marine expenditures that might be attributed to passenger ferry services would raise this total to the \$225 million to \$300 million range. When we take into account these figures, and a volume of .8 billion passenger-kilometres, the net government cost for ferry transportation appears to be in the 25¢ to 35¢ per passenger-kilometre range.¹⁶

In this section we have attempted to provide some estimate of the extent of net taxpayer costs and have noted other social costs associated with transportation. The data currently available are insufficient to do the job accurately; we hope to do better in our final report.

¹⁶ This cost is substantially affected by the fact that many passengers are accompanied by vehicles. Pure "foot passenger" ferry services would no doubt be less costly to operate. As in other modes, net government cost on particular routes may differ substantially from the system average. For example, operating costs for B.C. Ferries' routes between the Vancouver area and Vancouver Island are more than fully covered by fares. These routes account for approximately 40% of national total intercity ferry passengers.

CONCLUSION

In this chapter we have described today's travellers: who they are; why and where they travel; how they travel; and how their travel is financed. We noted that while there are considerable data on Canadian transportation, these data do not always provide straightforward, reliable information on the above issues. Nevertheless, we were able to provide some impression of the characteristics of travellers, the modes they use and how their travel is paid for.

From the numerous facts and figures on the characteristics of today's travellers we learned that:

- Canadians 25 to 54 years of age travel most frequently;
- men travel more than women;
- pleasure is the main reason for travelling;
- Canadians travel primarily in their own province;
- the car is the predominant means of travel for short distances but is also the most dangerous;
- air travel is preferred for long trips;
- intercity train travel is not widely used and is concentrated in the Quebec City-Windsor corridor;
- commuter rail is growing in importance;
- intercity bus transportation provides the most extensive coverage of the public modes; and
- ferries play an important role as a part of the highway system.

It is estimated that, in 1988, the total cost of intercity passenger travel — borne by individuals as consumers and taxpayers, and by businesses — was in the \$30 billion range. Due to the lack of data, we were only able to provide preliminary and approximate estimates of the taxpayer's contribution to the individual modes of intercity travel. These preliminary estimates indicate that the net taxpayer contribution per passenger-kilometre to road travel is 1¢ to 3¢, to air travel is about 1¢, to rail travel is about 25¢ and to marine travel is 25¢ to 35¢. We noted that certain expenditures, such as police costs related to traffic law enforcement, health-care costs related to accidents, and the costs of congestion, pollution and land use, are not estimated or included in our calculations.

Though these data are only preliminary and approximate, we present this information in the hope that it will stimulate independent estimates and suggestions by others, which will enable us to do a better job in our final report.

In our view, the lack of high-quality data on most passenger transportation (in particular the lack of systematic and comprehensive estimates of financial and other costs) hinders the public and decision makers in making choices for the transportation system of the future.

In the next chapter we look at changes that could affect the future supply of, and demand for, passenger transportation.

CHAPTER IV

TRENDS THAT WILL AFFECT CANADA'S PASSENGER

TRANSPORTATION SYSTEM

Many changes are taking place that might influence the development and use of the passenger transportation system of the 21st century. These include the development of new technologies, demographic shifts, pressures on the environment, and the increasing use of fossil fuels. In this chapter we examine these changes and look at how they might affect the future demand for, and the system's ability to provide, intercity passenger transportation services.

BRAVE NEW WORLD: TECHNOLOGIES OF TOMORROW

On a Friday morning in 2010 in Halifax, John MacDonald gets into his car. Instead of heading immediately into the morning rush-hour traffic, he switches on a video display. A road map of Halifax appears on the screen. John presses a button and the screen displays the area around his house. Another button and the map enlarges, showing an accident on a road that he usually takes to work. John calls up another route and sees that it's clear. He chooses the second route and drives to his office, listening to the computer's "voice" reminding him where to make turns.

On the same morning in Vancouver, Sarah Wong arrives at her neighbourhood vertiport for a business flight to Kelowna. With a "runway" smaller than a shopping-centre parking lot, it is located close to downtown. Sarah checks in quickly: the automatic check-in machine recognizes her debit card and reserves her choice of ground transportation in Kelowna.

Sarah's flight takes off on schedule, the plane's overhead rotors lifting it straight up. At the proper altitude the rotors pivot forward to serve as propellers. The aircraft moves into forward flight as the pilot welcomes the passengers over the loudspeakers.

At noon in Montreal, François and Marie-Jeanne Trottier board a train for a weekend visit to Toronto to see their daughter and grandchildren. François used to drive before his sore back made the six-hour trip too uncomfortable. Now the train, which speeds through the countryside at 400 kilometres per hour, gets them to Toronto in less than two hours — just enough time for a pleasant lunch and a chance to scan the video news program.

Are these scenarios dreams or real possibilities? Nobody knows for sure, but researchers today in various countries are investigating technologies that could expand the carrying capacity of the world's transportation systems, provide faster and safer travel, and moderate some of the adverse effects of transportation, including pollution and congestion.

MOTOR VEHICLES

The car has been the predominant form of passenger transportation in the 20th century and remains, by far, Canadians' favourite means of transportation.

The popularity of the car, however, presents problems: traffic accidents, consumption of fossil fuels, emissions that contribute to air pollution, and use of land for highway systems and parking lots. With the car expected to maintain its prominence into the 21st century, national and international

The most popular car in Canada and the United States in 1914 was the Model T Ford: 260,720 were sold in North America.

efforts will continue to make car travel safer and more environmentally friendly, and to create ways in which the existing highway systems can be used more efficiently.

Smart Cars and Intelligent Highways

Could electronic roads keep dense highway traffic moving safely at high speeds? Most of the high-technology research and development being done in this area is related to what are called Intelligent Vehicle-Highway Systems (IVHS). In these systems, vehicle navigation is computer-assisted or controlled through systems that use sensors, computers and radios. The goal of electronic traffic control is to make driving quicker, easier and safer by reducing traffic congestion. Pilot projects using vehicle guidance systems on dedicated, controlled roads are under way. The following IVH Systems are under consideration and development:

Advanced Driver Information Systems (ADIS): These systems provide navigational aids to drivers by using a variety of technologies: computerized maps and road signs; pre-trip electronic route planning; traffic information broadcasting and safety warning systems; and on-board navigational and electronic route-guidance systems using radios and video displays. The combination of external and internal navigational aids would take much of the guesswork out of driving by supplying information to the driver on congestion, accidents, weather and road conditions, and alternative routes.

Automated Vehicle Control Systems (AVCS): These systems help drivers keep control of their cars in difficult or hazardous circumstances. They can relay information to drivers from on-board sensors, automatically adjust the automobile's response to conditions and, at the most sophisticated level, assume all driving tasks on dedicated highways.

Projects are under way in various countries, combining smart cars and intelligent highways:

- The Programme for European Traffic with Highest Efficiency and Unprecedented Safety (PROMETHEUS) envisions a Europe-wide traffic management control system, including on-board driver aids, communication networks between vehicles, and communication links between vehicles and roadside facilities.
- In 1987, a Japanese car manufacturer introduced the first factory-installed navigation system. It included road maps, highway guides and dealer information stored on compact discs.
- The California Pathfinder Project, which started a one-year field trial in May 1990, is an attempt to develop a prototype system on the Los Angeles Smart Corridor (an "intelligent" 12-mile stretch of the Santa Monica Freeway and five parallel roads) for 25 cars equipped with navigational aids linked to a traffic-control centre.

Today's microelectronic technology would also permit a different sort of control over highway use — sophisticated user-pay systems. Roadside sensors could read smart cards mounted in vehicles, and relay the information to central computers that would bill users, or to the vehicle itself, where a stored value card would be automatically debited.

Bus Transportation

Smart technologies, currently being designed for cars and the trucking industry, are applicable to buses as well. Some researchers have focussed on the special needs of the bus industry, including ways to handle passengers more efficiently and methods to make buses more responsive to demand.

The cost-effectiveness of intercity buses could be improved, primarily by designs that allow for greater carrying capacity. Buses now accommodate 39-48 passengers. There are non-articulated buses that are longer than today's maximum allowable 12.5-metre models. Such a vehicle has been designed in Canada and a prototype, partially financed by Transport Canada, is accessible to people using wheelchairs. Capacities of up to 100 people might be achieved with double-decker articulated designs.

AIR TRANSPORTATION

Air travel has increased dramatically during the last 40 years. With the demand for air travel expected to continue to grow, research has focussed on technologies that will permit better fuel economy, improve air traffic control, and lead to faster air travel, if not faster flights.

Aircraft

Fixed-wing aircraft: Developments through the 1990s are expected to reduce operating costs while maintaining performance levels. Lighter materials are producing lighter aircraft, and designs that improve aerodynamic efficiency may reduce the amount of materials needed, particularly for wings.

Turbojet engines could achieve 20% greater fuel efficiency. Even greater energy economies could be realized through propulsor-blades, which would enable a plane to fly at three quarters the speed of sound with fuel economies of 35 to 40% over present jet engines.

Aerodynamic surfaces on the airplane's exterior could be fitted with instruments connected to a computer. The computer would interpret pressure changes and make adjustments

automatically through on-board software. Such electronics, together with navigation advances, could permit operation with little or no human intervention.

Powered-lift aircraft: Aircraft that can take off and land at slow speed with little or no runway have been and are being developed for military roles, and could have useful civilian applications. Perhaps the most likely to prove viable in commercial passenger service are tilt nacelle and tiltrotor models. The tiltrotor aircraft, a mix of airplane and helicopter, features a pair of large pivoting rotors. The craft takes off vertically, and then pivots its rotors to fly forward like an airplane. With flight speeds of up to 550 kilometres per hour, a tiltrotor aircraft could be useful for short intercity trips.

A tiltrotor aircraft airport, called a vertiport, could serve congested cities that have little open space because these planes can take off and land with limited runways. Shifting some passengers to vertiports might relieve traffic and air congestion at conventional airports. Barriers to this technology include high development costs, necessary changes to the air traffic control system, and concerns about noise, fuel economy, safety and the environment.

Advanced supersonic transport: Supersonic flight has been limited by low aircraft capacity, high costs and by the loud sonic boom, an atmospheric shock wave caused when jets fly at supersonic speed. Ozone depletion is also a concern. A silent supersonic aircraft is being researched, and even faster supersonic jets may be developed, in the Mach 3 to 3.5 range. These aircraft — still hypothetical — would cruise at very high altitudes, perhaps 20,000 metres. Their 19,000-kilometre range would make them particularly suited to long-distance travel. They could fly from Toronto to Tokyo in about three hours.

Air Traffic Control

Research in air traffic control has centred on automated communication systems that will reduce the workload of pilots and controllers. Automatic two-way links would connect an airplane's computerized flight management system to the ground control system. The flow of information from air to ground would allow ground controllers to monitor an aircraft's position, engine status, fuel load and other operating data. Information from ground to air would include flight planning and weather reports. Satellite navigation also allows ground stations to monitor aircraft flying over oceans and terrain inaccessible to land-based radar.

A computerized worldwide satellite-based, aircraft-location identification system is expected to be one of the most significant advances in navigational aids in the next decade. All participating aircraft would be located by identification transponders. Under such a system, a single air traffic control centre would, theoretically, be sufficient for North America. Computers would use satellite information to control air traffic, eliminate landing queues, reduce the separation distance between aircraft and significantly increase airway capacity. With visual displays, voice contact between controller and aircraft would not be essential, except as emergency backup.

RAILWAY SYSTEMS

To solve the problems caused by increasing car and air travel, many countries are looking at ways to make public transportation, particularly rail travel, faster and more responsive to demand.

High-speed ground transportation: Magnetic levitation, known as Maglev, is an advance in guided-ground technology. A Maglev system uses magnets to levitate, guide and propel vehicles without physical contact with the guideway. Maglev permits the construction of lighter, less expensive guideways, and has achieved test speeds, without passengers, of more than 500 kilometres per hour. Currently, low-speed Maglev systems are in place at England's Birmingham airport and in Berlin, and high-speed prototypes are being tested in Germany and Japan. One of the proposed routes for the German system is between Los Angeles and Las Vegas.

High-speed trains that use conventional steel-wheel-on-steel-rail technology are in operation between many cities. The oldest of these, the Japanese Shinkansen,

The highest speed ever officially recorded in Canada by a steam locomotive was 181 kph, in 1936, during a performance trial between Montreal, Quebec and Smiths Falls, Ontario.

has been in operation since 1964. The fastest, the Train à Grande Vitesse (TGV), running between Paris and Le Mans, France, has achieved a test speed of 515 kilometres per hour, and will operate with passengers at more than 300 kilometres per hour. The most advanced U.S. system is the Metroliner, which runs between New York City and Washington, D.C. at top speeds of 200 kilometres per hour.

New technologies in conventional high-speed rail continue to improve efficiency and increase speed. Implementation of more rapid trains is often restricted, because existing track is not curved or graded to accommodate high speeds, or because of dangers at level crossings. Another technology overcomes this restriction: tilt-vehicle technology, being

used in Sweden, enables rail cars to lean with the curves, permitting operation at average speeds of 250 kilometres per hour.

FERRY TRANSPORTATION

Developments in ferry transportation have focussed on increasing the size of ferries to accommodate larger passenger and vehicle volumes and the ability to generate more speed. Technology to improve operating efficiency is also a prospect. Ceramic engines could improve thermal efficiency and use cheaper fuels. The condition of engines could be monitored electronically with fibre optic circuitry, and potential problems detected in time for preventive maintenance. Automated navigation systems seem well suited to ferries, which have restricted routings and schedules. An automated system known as "cruise control" has been installed in the ferry that serves Yarmouth, Nova Scotia, and Bar Harbour, Maine.

Hovercraft, which travel on a cushion of air, and hydrofoils, which rise as they accelerate to plane above the water, offer greater speed potential than conventional ferries. While these technologies have not, to date, been commercially successful for passenger use in Canada, they are in use — and commercially successful — in other countries.

INTEGRATED AND INTERMODAL TRANSPORTATION

Public intercity travel is often intermodal, with passengers relying on more than one means of travel to arrive at their destinations. Improvements in integration between modes initially involve activities in the terminals, the links between the modes.

Ideally, intermodal integration would result in intermodal terminals that serve airplanes, trains, buses and taxis. While fully integrated terminals may involve considerable capital construction, integrated support services may be more immediately achievable. Such services could include intermodal baggage handling, scheduling, reservation systems and ticketing.

In recent years, intermodal scheduling has been revolutionized by Computer Reservation Systems (CRSs). Originally created by airlines for their own passenger reservation and ticketing processes, CRSs have expanded to offer all manner of travel-related information. The U.S.-based system known as PARS offers information covering eight million fares in the United States, and fourteen million fares internationally. Two systems in everyday use in Canada are Gemini, a Canadian system developed by Air Canada and Canadian Airlines, and Sabre, developed by American Airlines.

Smaller companies and travel-related businesses fear that CRSs may deflect the travelling public away from their services, and undermine their ability to compete because they can be either omitted from CRS listings or overshadowed by larger companies. While CRSs are expensive to set up, it is inexpensive and easy to add new services, such that a single CRS system can become very large very quickly, sometimes monopolizing the market.

Intermodal linkages in scheduling and reservation systems would permit connecting carriers to synchronize carrying capacity. A connecting urban transit system or a taxi operator serving the airport could provide vehicles that had carrying capacities to match the number of incoming air passengers. Waiting times and congestion at transfer points would be reduced.

Public intercity travellers rely heavily on the urban transportation network to complete a trip. Intermodally integrated terminals and support services are only one part. Efficient taxi and bus services depend in large measure on the nature of the road system that connects the terminal to the urban area, and that serves the urban area as a whole. The same is true of the rapid transit connection. Even where schedules coincide, a high-quality, affordable, frequent intercity transportation service may be frustrated by congestion and delays in the urban transportation network.

How our cities and their transportation networks develop is becoming an important concern for intercity transportation decision makers. If urban development is concentrated, there is a greater likelihood of achieving population densities sufficient to support good public transit. If urban development is spread out, the resulting sprawl works against efficient public transit and demands extensive car use. As people have more destinations to choose from, they tend to use their cars not just for local trips, but for regional and shorter intercity trips as well.

TELECOMMUTING

Improvements in information technology may have a significant impact on Canadian business travel. The speed, economy and ease of communication by telephones, fax machines and computer modems may lessen the need for face-to-face meetings, resulting in less travel. In California, transit planners are hoping that by the early 21st century, 20% of the Los Angeles work force will be able to work at home using fax machines and modems. So far, it appears that improvements in communication technologies have not reduced the amount of travel. In fact, as telecommunications decrease the total costs of interaction among people,

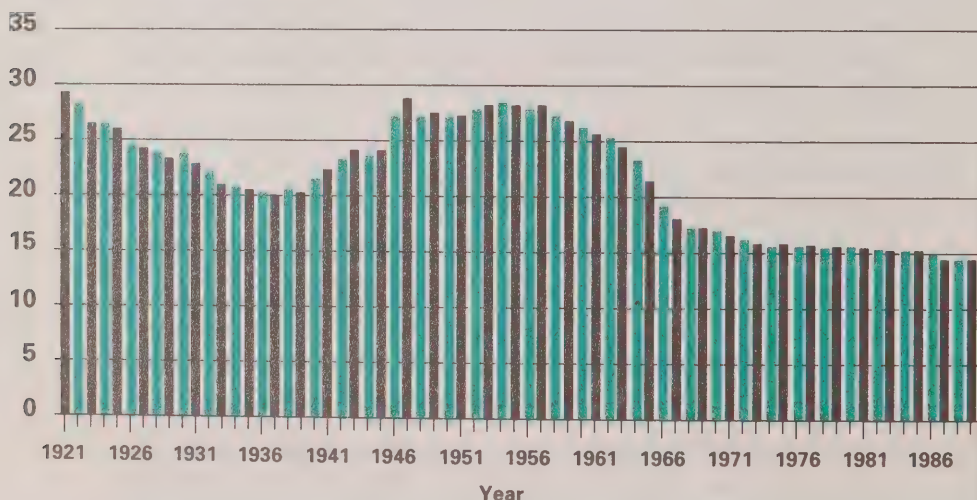
transportation demands may increase due to activities that involve some travel, that were previously inconceivable without these communications advances.

DEMOGRAPHIC CHANGE: THE BABY BOOMERS AND BEYOND

Demographic trends can exert powerful forces for change. Canada experienced a surge of births between the mid-1940s and the mid-1960s, the so-called "Baby Boom" (see Chart IV-1).¹ This period ended with a rapid drop in the fertility rate, i.e. the average number of births per woman. As a result, Canada's current demographic make-up comprises a large number of people in the 25 to 45 age group.

Chart IV-1
THE "BABY BOOM"

Live births per 1,000 population



Sources: 1921-1946: M.C. Urquhart and K. Buckley eds., *Historical Statistics of Canada*. Toronto: MacMillan, 1965, p. 38.

1947-1989: Department of Finance, *Quarterly Economic Review*, June 1990, p. 4.

¹ Source for paragraphs on the Baby Boomers: *Canadian Transportation in 2000 and 2015*. The Research and Traffic Group for Strategic Policy Directorate, Transport Canada, 1988.

The Baby Boomers have exerted a strong influence on society: crowding first the schools, then the job market, then the real-estate market as they grew older. People born in 1945 are now just over 45 years old. Their next stage, retirement, will also have a significant effect on Canadian society.

If fertility rates and immigration patterns continue at today's levels, population growth in Canada is expected to slow or stop as the Baby Boom Generation passes out of its child-bearing years. In this section we consider some changes that seem to be in store for Canada, based on these demographic trends.

In preparing for future transportation development, planners often consider a range of population scenarios. Statistics Canada has developed a number of these scenarios for the period up to 2036.²

A low-growth scenario: The population reaches a peak of over 29 million around 2016, then declines to less than 28 million by 2036. This assumes that the fertility rate gradually declines from 1.7 to 1.2 children per woman, and annual immigration is 140,000. The share of the population aged 65 years and older, currently about 11% of the total population, rises to 28%.

A medium-growth scenario: Population gradually slows, with a peak of 34 million in 2036. This assumes a fertility rate of 1.7 children per woman and immigration levels of 200,000, both close to current levels. In this scenario, the share of the population aged 65 years and older rises to 25% by 2036.

A high-growth scenario: The population increases at an annual rate of about 1% until 2016 (this was the annual rate experienced between 1981 and 1991), and then slows somewhat.

² Statistics Canada, *Population Projections for Canada, Provinces and Territories, 1989-2011*, Catalogue No. 91-520, March 1990.

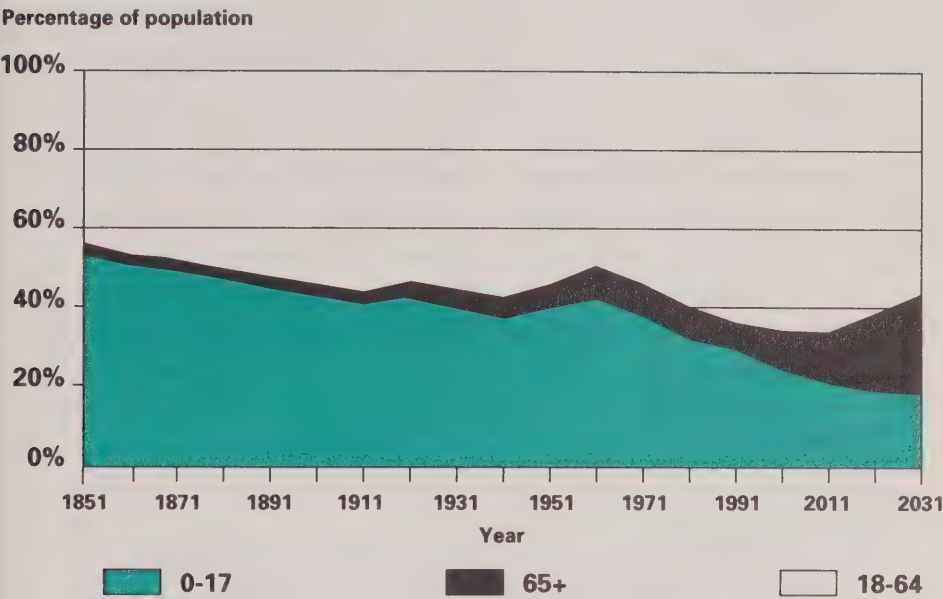
The population reaches a level of 37 million by 2036. This assumes a fertility rate rising to 2.1 children per woman and annual immigration of 200,000. The share of the population 65 years and older rises to 22% by 2036.

The Baby Boomers will begin to retire around 2010. This will be reflected in a rising "dependency ratio," the ratio of the young (0 to 17), plus seniors (65+), to those of working age (18 to 64). This ratio is important for the overall economy, for social policy, and for the structure of passenger transportation demand.

The number of those people aged 0 to 17 declined from 1971 to 1986 and is projected to remain almost constant for the next 15 years, after which it may decline further. The seniors group has been growing and the rate of growth will increase for some time after 2011 as the Baby Boom Generation starts to retire. The working-age group has been growing and is projected to grow sufficiently for the dependency ratio, which has been falling since 1961, to continue to fall until around 2011. After that date, a declining or stable working-age population will have to support a larger number of senior and young people — a turnaround that is clear in Chart IV-2.

The turnaround expected by 2011 also depends on a continuation of the low fertility levels experienced since the early 1970s. A continuation of this low fertility rate will mean that, whereas there were about 45 children for every 100 members of the working-age group in 1981, this number is expected to decline to 35 by 2001 and to about 31 by 2016. This decrease in the number of children is overshadowed by the increase in the number of seniors, and hence the dependency rate starts to increase after 2011.

Chart IV-2
THE AGE STRUCTURE OF THE POPULATION, 1851-2031



Sources: 1851-1941: M.C. Urquhart and K. Buckley eds., *Historical Statistics of Canada*. Toronto: MacMillan, 1965, p. 16, plus Commission staff calculations.

1951-1981: Statistics Canada, 1986 Census of Canada, Catalogue No. 93-101, p. 1-1, plus Commission staff calculations.

1991-2031: Statistics Canada, *Population Projections for Canada, Provinces and Territories 1989-2011*, Catalogue No. 91-520, March 1990, plus Commission staff calculations.

FUTURE TRAVEL TRENDS

Slower population growth would likely affect travel growth. Canadians in the 25 to 54 age group travel the most, taking 6.3 domestic intercity trips per capita in 1988, compared with 5.3 trips for the population as a whole. In the near future, this age group is likely to make up an even larger segment of the travelling public as the Baby Boomers move into middle age. In the longer term, these people will retire and may travel less than when they were younger.

Using the medium-growth scenario and assuming today's travel frequencies, travel would grow at decreasing rates until 2016, when it would begin to decline. Table IV-1 illustrates a hypothetical link between growth in travel and population growth, assuming 1988 levels of trips per person in each age group. In other words, the table shows that if other factors remain unchanged, demographic shifts alone will slow the growth of travel. It takes into account the changing mix of age groups, and their differing levels of travel. It is not a forecast, but rather an illustration of the impact on travel demand of one factor. It does not allow for the fact that the demand for travel in the future, within each age group, will likely change from today's pattern.

Table IV-1
HYPOTHETICAL TRAVEL GROWTH BASED ON MEDIUM-GROWTH POPULATION PROJECTIONS

Period	Projected population growth	Hypothetical growth in number of trips
1988-2001	14%	13%
2001-2016	10%	7%
2016-2036	5%	-1%

Source: Statistics Canada, *Population Projections for Canada, Provinces and Territories, 1989-2011*, Catalogue No. 91-520, March 1990, plus Commission staff calculations.

The possible slowing in travel growth is due partly to the increased share of older people in the population, because people 55 years and older, and especially those 65 and over, generally travel less than younger people. An increased proportion of older people would also mean a corresponding increase in their share of trips taken. In 1988, trips taken by people 65 and over accounted for 6% of all trips; by 2036, this might rise to 12%.

In the early 1900s, many people were considered old at 50. Given recent advances in medicine and changes in lifestyle, many people today may not experience similar aging until they reach their seventies, resulting in some 20 extra years of active and healthy life.

As shown in Chart IV-3, the percentage of Canadians over 65 will continue to increase during the next 30 to 40 years as the Baby Boom Generation ages. These seniors are expected to travel more in Canada and abroad, and to account for more of the drivers on the roads. Tomorrow's seniors are likely to have higher per capita incomes, which could also lead to increased travel. The car is the mode of transportation preferred by most seniors. Currently, about 70% of Canadians aged 55 and older are

licensed to drive. Of the 30% who do not drive, the majority are women. This reflects both the fact that the majority of people

The Canada Safety Council reports that in 1987 one senior in two held a valid driver's licence. In 1966 the figure was one in three.

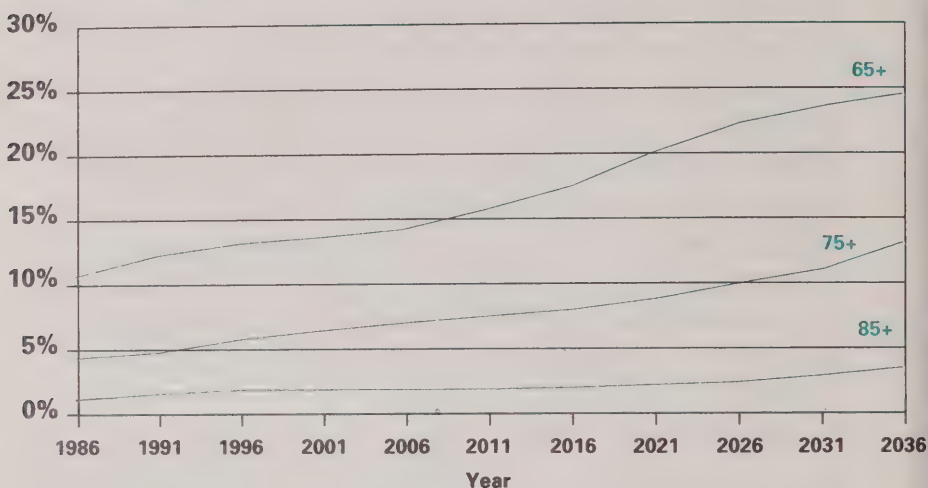
over 55 are women, who live longer than men, and the fact that, historically, a much smaller proportion of women than men obtained drivers' licences in Canada. This proportion has changed, and among younger drivers today, women are just as likely to drive as men.

An aging population creates changing needs that planners will have to study. Traffic planning and traffic-control environments are often geared to younger adults. Older drivers may have difficulty with poor legibility of road signs, confusing or faded markings at intersections, poor lighting at night, and the high speeds on today's roads. A 1989 survey³

³ National Advisory Council on Aging, *Understanding Seniors' Independence*, Report No. 1: *The Barriers and Suggestions for Action*, May 1989.

Chart IV-3
THE OLDER OLD, 1986-2036

Percentage of population



Sources: 1986: Statistics Canada, 1986 Census of Canada, Catalogue No. 93-101, p. 1-1.

1991-2036: Statistics Canada, *Population Projections for Canada, Provinces and Territories 1989-2011*, Catalogue No. 91-520, March 1990.

of seniors found that problems concerning mobility and transportation were significant barriers to independent living. Difficulties included the general lack of convenient transportation modes to suit their needs, the problems of rural and disabled seniors, age-related driving restrictions, the high cost of transportation, and public transportation services that are not adapted to seniors' needs.

Conflicting trends create difficulties in predicting the demand for travel services in the future. Between 1980 and 1988, the demand for travel per Canadian grew — a trend that seems likely to continue. At the same time, we know that, on average, senior Canadians travel less than younger Canadians. On that basis, beginning about the second decade of the next century, there could be a decrease in the

demand for travel. But other trends must also be considered. The demand for travel services rises with increases in real income. Since real incomes are expected to increase gradually over the long term, travel rates are likely to increase faster than could be expected on purely demographic grounds. Changes in the health status of aging Canadians may exert a strong influence over travel trends, especially if older people remain healthy and active longer than they have in the past. The demand for travel by older people will also depend on how accessible the transportation system is to people with disabilities.

SERVING THE DISABLED

Transportation is a key to independence and opportunity for everyone, including the disabled. Many disabilities, diseases, and temporary injuries cause difficulty for users of the transportation system. The physically disabled include the blind or partially blind, the deaf or hard-of-hearing, those who require mechanical aids such as crutches, walkers and wheelchairs, people with arthritis or muscular weakness, and those with breathing and heart problems. Over the past 10 years, the demand has grown for greater accessibility to transportation services and for more consistent and dignified treatment of people with disabilities, whether mental or physical.

HOW MANY CANADIANS ARE DISABLED?

About 3.3 million Canadians — 13.2% of the population — have some kind of disability.⁴ Of Canadians aged 15 years and over, 15.4% — approximately 3 million people — are

⁴ Unless otherwise noted, the data in this section are drawn from a survey carried out by Statistics Canada in 1986 and 1987 and reported in *The Health and Activity Limitation Survey. Highlights: Disabled Persons in Canada*. Statistics Canada, Catalogue No. 82-602, March 1990.

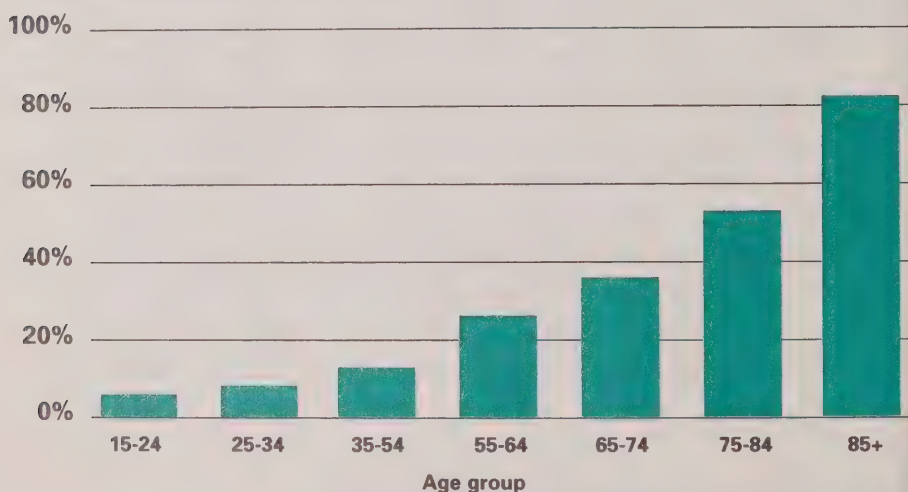
disabled. Of those with disabilities, nearly 93% live in households and 7% have lived in a health-related institution for more than six months.

Chart IV-4 shows, by various age groups, the proportion of people with disabilities who live in households. For example, 26.1% of Canadians aged 55 to 64 have some disability. As would be expected, the incidence of disabilities increases with age — from 36.7% for those aged 65 to 74 years, to 53.6% for those aged 75 to 84, and to 82.1% for those over 85 years of age.

Chart IV-4

INCIDENCE OF DISABLED PERSONS BY AGE GROUP, 1986-1987

Percentage of disabled in each age group



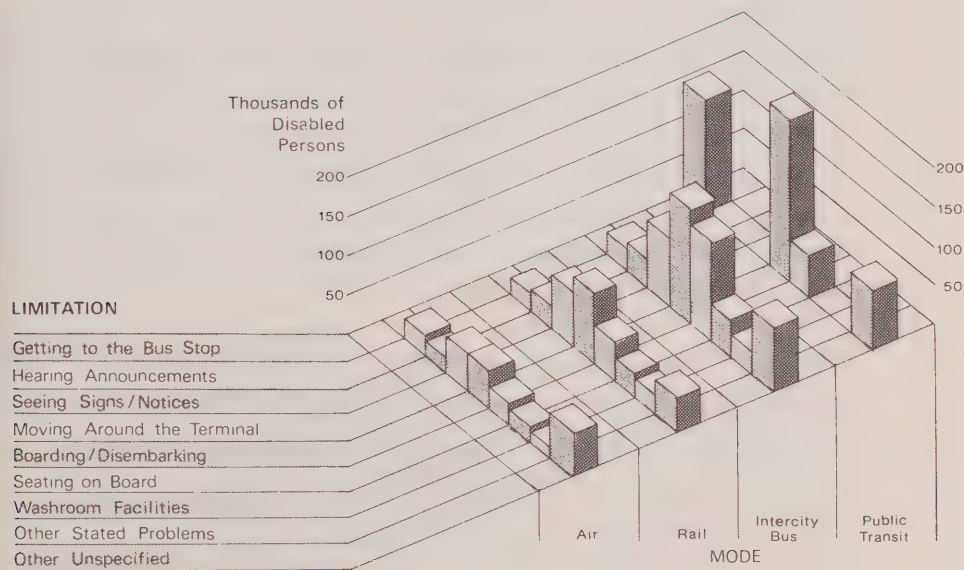
Source: Statistics Canada, *The Health and Activity Limitation Survey. Highlights: Disabled Persons in Canada*, Catalogue No. 82-602, March 1990, Table 1.

Nearly 7% of disabled Canadians between 15 and 64 years of age indicated that they were prevented from taking long-distance (over 80-kilometre) trips because the transportation services were not suitable, given their condition; this figure was 9% for those aged 65 and over. Eleven percent

of those aged 15 to 64, and 19% of those over 65, indicated that they required a companion or attendant to assist them on long-distance trips. Approximately 7% of individuals in both age categories said they had trouble travelling by airplane, train or bus.

As can be seen in Chart IV-5, disabled people using public transportation have difficulties getting on and off the bus, plane or train, in moving around the terminal and in finding seating that is available and comfortable. Other problems they experience are inaccessible washroom facilities, announcements that are inaudible to the hearing-impaired, and signs that are illegible to the sight-impaired.

Chart IV-5
TYPES OF TRANSPORTATION LIMITATIONS EXPERIENCED BY DISABLED PERSONS



Source: Reproduced from *Transportation and Disabled Persons: A Canadian Profile (Summary Report)*. TransVision Consultants Ltd. for the Transportation Development Centre, 1988.

As noted earlier, disabilities increase with age. Although the number of Canadians over 65 account for approximately 11% of the population, they account for nearly 37% of individuals with some disability. By the early 21st century, the proportion of those 65 and over will reach 18% — about six million people — with a proportionate increase in those who are disabled.

ENVIRONMENT: THE GREENING OF TRANSPORTATION

AIR-RELATED ENVIRONMENTAL CONCERNS

Canada's transportation system has a major impact on the environment. The main issues related to transportation and the environment include noise, land use, and various forms of air pollution.

Greenhouse effect: The earth's atmosphere contains a number of gases, called "greenhouse gases," that trap infrared heat in the lower atmosphere and raise the temperature at the earth's surface. Many human activities emit some of these greenhouse gases into the atmosphere. The concentration of these gases has been rising, and there are concerns that the average global temperature will rise as a result, even though the precise impact of the human contribution to this greenhouse effect is uncertain.

Carbon dioxide (CO₂) is thought to be responsible for about half of the human contribution to the greenhouse effect. Carbon dioxide is produced in

Automobile makers have reduced new vehicle exhaust emissions of carbon monoxide and hydrocarbons by 90% since 1964. However, vehicle-kilometres driven are doubling every 20 years.

substantial part by the burning of fossil fuels (oil, gas, coal). In Canada, transportation is the largest single source (30%)

of combustion-related CO₂ emissions, roughly 50% of which comes from cars and light trucks. No economically viable means is available to remove CO₂ from the emissions of vehicles burning fossil fuels. Therefore, policy makers look to measures such as increased energy efficiency, fuel substitution and energy conservation to limit CO₂ emissions.

Photochemical smog: Air quality problems, such as smog, can cause breathing problems and can damage buildings, crops and forests. These problems are generally most severe in urban areas. Smog is caused by carbon monoxide (CO), low-level ozone (O₃) and airborne dust, soot and other particles. Low-level ozone is formed in a complex chemical reaction in the atmosphere, when nitrogen oxides (NO_x) and volatile organic compounds (VOCs) combine with sunshine and water vapour. Because of the complexity of the process and the particles involved, scientists cannot quantify exactly how much low-level ozone is created specifically by emissions from motor vehicles. Cars and light and heavy-duty trucks create about 36% of Canada's combustion-related NO_x and 29% of VOCs emissions.

Many contaminants, including NO_x and VOCs, can be partially controlled by technologies such as catalytic converters attached to vehicle exhaust systems. Other means to reduce these emissions include changes in the fuel used.

Ozone depletion: The depletion of the ozone layer in the upper atmosphere is considered a serious global problem. The ozone layer is destroyed by chlorofluorocarbons (CFCs). About 8% of the CFCs used in Canada are in car and light truck air conditioners. Substitutes for CFCs, such as hydrofluorocarbons (HFCs), are being developed. While not a solution to the ozone depletion problem, the use of HFCs would be a first step in reducing pollutants that destroy the ozone layer. Like CFCs, HFCs are, however, a greenhouse gas.

NOISE AND LAND USE CONCERNS

In addition to environmental concerns with air quality, there are concerns about noise pollution and land use. The main sources of noise pollution are airports and highways in urban centres. Aircraft noise — especially during take-offs and landings — can be curbed by stricter standards for engine noise, and made more tolerable by altering airport operating hours to accommodate the resting hours of nearby residents. Highway noise can be lessened by erecting noise barriers.

Transportation consumes land in a number of ways: for roads, airports and rail rights-of-way. Motor vehicles also cast a large “footprint,” taking up room for parking. Offices and shopping centres require land or multi-level garages to provide parking, and at home, each car has to be parked, either in a garage, driveway or on the street. Many of these uses of space by motor vehicles are not currently priced in accordance with corresponding economic and social costs. Even a car that does not emit air pollutants would have these kinds of environmental impacts.

ENVIRONMENTAL INITIATIVES

In December 1990, the federal government released its *Green Plan*, which provides definite targets and schedules for environmental initiatives within federal jurisdiction.

The Green Plan commits the federal government to the stabilization of carbon dioxide and other greenhouse gas emissions at 1990 levels by the year 2000. With respect to this goal, in the transportation sector, the federal government will:

- improve energy efficiency in transportation by initiating a further round of fuel efficiency targets for new vehicles, developing strategies with the provinces and municipalities to reduce CO₂ and other emissions from transportation sources, and developing education packages for fleet managers and drivers; and
- accelerate development and market penetration of alternative transportation fuels over the next five years through such efforts as increased availability of alternative-fuel vehicles, promotion of ethanol and methanol as automotive fuels and fuel feedstocks, and expansion of natural gas markets.

International concern about air quality led to the International Protocol on Nitrogen Oxides (NO_x Protocol) of 1988. Canada is participating in the development of a similar agreement on VOCs emissions. Domestically, Canada is moving to implement a national NO_x/VOCs Management Plan to reduce the emissions of these gases from the transportation sector, as well as from electric utilities and industry. According to *The Green Plan*, in 1991 the federal government will begin negotiating agreements with the provinces on NO_x and VOCs emission targets. It will also initiate tighter emission standards for new motor vehicles beginning in 1994.

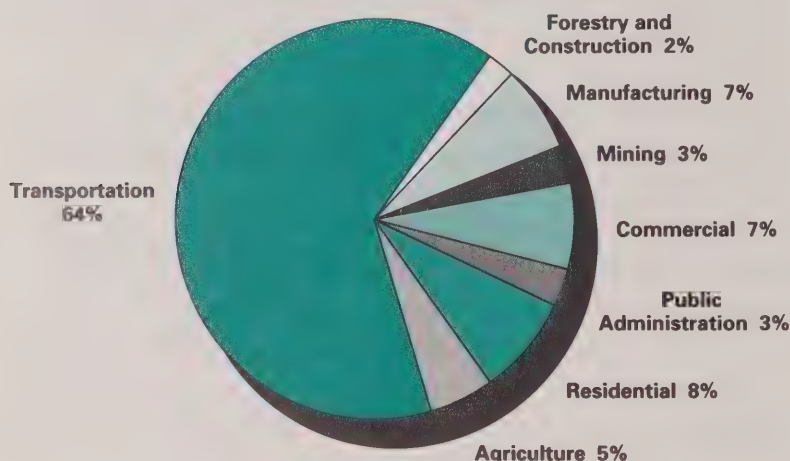
International agreements are in place to phase out CFC production, and *The Green Plan* reiterates Canada's commitment to doing so by the year 1997. There is reason to think that HFCs (an alternative to CFCs) will soon be in use, at least in refrigeration and air conditioning equipment.

TOPPING IT UP: CANADA'S CONSUMPTION OF ENERGY

Moving people from place to place requires energy in some form, whether motor gasoline, jet fuel, electricity, or some other fuel.⁵ Transportation accounts for about 29% of all energy and 64% of all petroleum consumed in Canada (see Chart IV-6).

Chart IV-6

PETROLEUM CONSUMPTION BY SECTOR, 1989



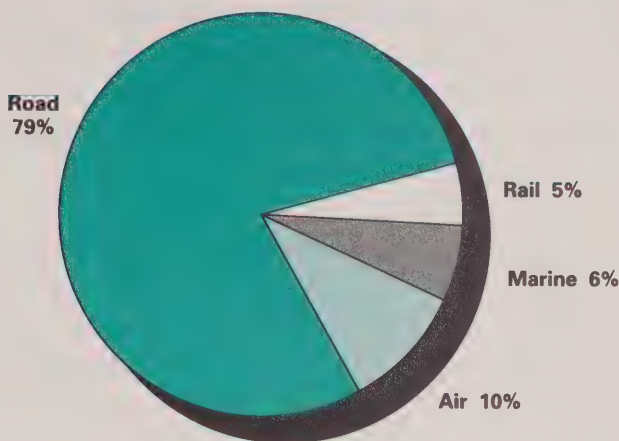
Source: Statistics Canada, *Quarterly Report on Energy Supply-Demand in Canada 1989-IV*, Catalogue No. 57-003, July 1990.

Within the transportation sector, 79% of petroleum is consumed by cars, buses and trucks. The other modes use the remaining 21% (see Chart IV-7). Intercity passenger transportation accounts for about 26% of petroleum consumed by the transportation sector.

⁵ The projections in this section are based on information provided by Energy, Mines and Resources Canada, unless otherwise noted. The prediction of energy prices assumes certain political, social and economic situations that may be changed by unexpected global events. These estimates were made before the Persian Gulf crisis began in late 1990.

Chart IV-7

PETROLEUM CONSUMPTION IN TRANSPORTATION, 1989



Source: Statistics Canada, *Quarterly Report on Energy Supply-Demand in Canada 1989-IV*, Catalogue No. 57-003, July 1990 and Commission staff calculations.

Before the Persian Gulf crisis began in August 1990, most energy experts projected fairly stable oil prices in the \$18-\$25 range (in constant 1989 U.S. dollars), per barrel, to the year 2000 and beyond. This low-growth price scenario assumes Organization of Petroleum Exporting Countries (OPEC) restraint on pricing, and no significant changes to government policy on oil product use. It also assumes no major lasting supply interruptions or price shocks. The Persian Gulf war could nullify peace-time projections of oil prices, at least for the next few years. If oil prices stabilize and remain consistently low, demand for energy is forecast to increase markedly in the absence of any major policy changes.

ALTERNATIVE FUELS

Concerns for the environment and the depletion of conventional oil reserves are causing transportation industries

to investigate or implement the use of alternative fuels.⁶ Such fuels are not in wide use today, largely for reasons of cost and inconvenience. Alternative fuels will likely find wider acceptance in Canada if they become cheaper relative to other fuel options, or if they are regulated for environmental reasons. Their contribution to alleviating air pollution and oil conservation will vary with how widely they are used. Gaseous and alcohol fuels are helpful in reducing some pollutants, but their potential contribution to reducing emissions of carbon dioxide is generally more modest.

Gaseous fuels: Propane is widely used as a vehicle fuel in many countries, including Holland, Italy and Belgium. In Canada, propane has proven especially practical for high-fuel consumption vehicles such as delivery vans, police cars and taxi fleets, where the cost of conversion is quickly recouped as operating costs are reduced on these high-mileage vehicles.

Natural gas is a promising alternative fuel for Canadian use, given the substantial gas reserves here. Natural gas is used in some cities, by taxi fleets and school buses in particular. These vehicles carry extra fuel tanks and have routes that allow them to return regularly to fuelling depots. The use of natural gas in cars is not widespread because fuelling equipment is scarce and vehicle conversions are expensive.

Alcohol fuels: Ethanol and methanol can be used as gasoline additives and replacements. Methanol and

Henry Ford designed the original Model T to run on ethanol.

ethanol were used as fuels for motor vehicles in Europe during World Wars I and II. Methanol has also been a popular

⁶ Source for paragraphs on alternative fuels: *Future Transportation Fuels*, Energy, Mines and Resources Canada, 1986.

fuel in racing cars for years. Gasohol — 10% ethanol and 90% gasoline — is sold in parts of the United States and can be used in ordinary vehicles. In 1991, a network of about 30 service stations in California will begin selling a mixture of 85% methanol and 15% gasoline. This will be used by new cars that can use various mixtures of methanol and gasoline. In Brazil, motorists can buy pure ethanol, or a mixture of 2 parts ethanol to 8 parts gasoline.

Added to gasoline, alcohol fuels cause a more complete combustion, generating fewer emissions of carbon monoxide and nitrogen oxides than

If all the gasoline sold in Canada contained 10 percent ethanol, making the ethanol would require eight million tonnes of grain — nearly a fifth of Canada's annual production.

gasoline combustion. Emissions are therefore less photochemically reactive than gasoline emissions and reduce ground-level ozone formation.

Methanol can be made from more sources — wood, coal, natural gas, almost any fuel — than ethanol, which is fermented from sugars. Although methanol has the potential to replace a large proportion of the gasoline and diesel fuel consumed, its use will depend largely on the relative prices of those fuels. Currently, it takes more methanol than gasoline to move a vehicle the same distance; however, methanol vehicles could be designed to be much more fuel-efficient. The use of alcohol-based fuels in cold weather climates might still be limited because cars using such fuels can be difficult to start and these fuels freeze at warmer temperatures than gasoline.

Other alternative fuels: Electricity and hydrogen are potential sources of power for motor vehicles and trains. Generally, it is more energy- and emission-efficient for trains to use

electricity than to use a diesel locomotive. However, for intercity (and urban/suburban) rail, peak travelling hours usually coincide with periods of high household energy consumption. Rail electrification could worsen the electric utilities' peak loading difficulties. In most of Canada, extra electricity required at peak periods is produced by burning coal, oil or natural gas, which causes air pollution.

Electrical road vehicles are being used for short, inner-city trips in Germany and the United States, using battery power. Batteries are still inefficient, costly and have low power capacities, notably at low temperatures. Battery technology crucially limits the greater use of electricity in powering vehicles.

Hydrogen is a benign fuel: it emits only water vapour during combustion. Hydrogen, however, must be produced artificially, and the process consumes a great deal of energy. Widespread use of hydrogen as a transportation fuel will likely occur only in the event of a breakthrough in the production of relatively cheap electricity, such as by nuclear fusion, or if very severe environmental constraints are imposed.

AUTOMOBILE AND ENGINE DESIGN

Like alternative fuels, new automobile and engine design may make cars more energy-efficient and environmentally friendly. Automobile energy-efficiency improvements can be achieved by reducing vehicle weight and mechanical friction. This could lead to further reductions in gasoline consumption, and in CO₂ emissions.

Weight: New materials could result in lighter vehicles that use less fuel but still protect passengers in collisions with vehicles of similar weights. Through the use of high-strength alloys, aluminum, synthetics and composite materials, designers are expected to reduce car weight by as much as 10% by 2010.

Engines: Improvements would include an increased use of overhead cam engines, four- and five-speed automatic transmissions, improved lubricating oil, and four- and five-valve engines. By 2010, these and other innovations could reduce friction losses by 40% and improve thermal efficiency by 7%, relative to current levels. These gains would still not match the efficiency potential of the diesel engine, which has a 20 to 30% advantage over gasoline engines.

CONCLUSION

In this chapter we focussed on three factors that may affect future passenger transportation supply and demand: (a) technology — what hardware and software will be available to move people; (b) demographics — who will need to be moved; and (c) the growing concerns about the quality of the environment and the use of energy resources.

The transportation technologies of tomorrow are being developed today. Transportation planners and engineers are working hard to create transportation systems that will combine speed, efficiency, comfort, safety and environmental sensitivity into future systems. Smart cars and intelligent highways, tiltrotor aircraft, advanced supersonic transport, magnetic levitation, high-speed trains and telecommuting are all conceivable technologies, some of which may be as common in 40 years time as traffic lights and jet aircraft are today.

Many variables will affect demand, and hence the need for these new services in the future. These variables include demographic shifts, in particular the aging of the population, growing public concern about the environment, and the consumption of energy.

Planners need to consider the priorities and concerns of the Canadians who will use the transportation systems. Many Canadians hold strong opinions about public transportation, as they have told us in their submissions and other presentations. In the next chapter we yield to those who came to the public hearings, called us, sent briefs, and let us know what was on their minds.

CHAPTER V

SPEAKING OUT: WHAT CANADIANS ARE SAYING

The national transportation framework is like a skeleton on which the body politic must exist; but whereas without the central organs there is no life, neither can the body flourish if the appendages are starved.

S. Felsberg, Vice-President of Central Region
The Combined Councils of Labrador, Goose Bay
Goose Bay hearing¹

To learn what Canadians think about today's passenger transportation system and to hear their proposals for the future, we held public hearings across the country, invited people to present written briefs or to phone in their concerns through a Dial-A-Brief² program, and commissioned a poll by the Angus Reid Group to explore the extent to which travel and transportation are an integral part of Canadians' lives.

We found that transportation is a subject of wide interest, inspiring a debate that is invigorating and stimulating. Our country has a great diversity of geography, lifestyles, interests and needs. The result is that, while Canadians share many common expectations about what their transportation system should be like, they also have different and strongly held opinions on how those expectations should be achieved: who should run the system, how it should be managed and who should pay for it.

¹ The Commission held public hearings in 30 communities across Canada from August to December 1990.

² Dial-A-Brief is a toll-free line that Canadians can call to record their comments until December 31, 1991. The number is 1-800-465-4321.

During the course of this public dialogue, many individuals and groups spoke to us about transportation needs that were specific to their communities or to their particular interests. Although specific proposals are not discussed in this chapter, Annex V-1 lists some of the many proposals we heard. This chapter focusses on general issues: those that are nation-wide, raised by Canadians in every part of the country, and those that affect the major geographical regions.

In the first section of this chapter, we summarize different objectives that Canadians have suggested should be achieved by a national passenger transportation system including: equity, efficiency, nation-building and regional development. We then explore Canadians' comments on some key elements that could determine how the passenger transportation system works:

- the public and private sectors: what should their roles be?
- jurisdiction: which level of government should decide?
- fares, tolls and taxes: where should the money come from?
- the accountability of decision makers: how should the public be informed?

OBJECTIVES: WHAT CANADIANS WANT THE SYSTEM TO ACHIEVE

EQUITY

Most Canadians believe that everyone should have reasonable access to the passenger transportation system, including a choice of affordable means of travel, adequate standards of passenger service — especially for the disabled — and the provision of transportation in remote regions.

We are senior citizens We are brought to our knees. We are stuck out here in the country with no train, no bus, and we can't drive.

**Anonymous caller
Dial-A-Brief**

Transportation policies that encourage car and air travel to the detriment of train and bus travel are seen to discriminate against lower-income Canadians, the elderly, people with disabili-

ties and those living in remote areas. The cutbacks in train service, in particular, have affected people across the country. Some Canadians asserted that the cutbacks eliminated their only form of affordable public transportation. Some Canadians who do not drive feel cut off from friends and relatives and no longer have easy access to health facilities.

Many disabled Canadians want to be self-sufficient. To do this, they need accessible transportation services that get them to educational, vocational, cultural and commercial facilities within and beyond their communities. They often cannot afford specialized vehicles or air travel. Instead, they must rely on buses or trains for intercity trips; and they feel their choices are narrowing. Disabled people want not only accessibility; they want the same comfort and dignity afforded to those who are not disabled.

So for disabled persons, inadequate transportation is not just a matter of inconvenience, as it might be for you or for me or for another Canadian. It can mean quite simply that they are unable to work or unable to take up training opportunities that later would allow them to work. That means that such people will continue to be shut out of the economy.

**M.F. Yalden, Chief Commissioner
Canadian Human Rights Commission,
Ottawa
Ottawa hearing**

To get on an aircraft, if you are in a wheelchair, you could be brought up to the aircraft on a forklift and that is very degrading, very humiliating and I don't think it should be allowed.

**S. Salamon
Thunder Bay
Dial-A-Brief**

Problems of access and affordability seem to be more obvious to people who live in remote areas of the country than to those in urban areas. Many Northern communities, for example, are often not accessible by rail, have roads that are only passable during certain times of the year or have no roads at all and are served by marine services

only during the summer months when the ice breaks up. As a result, many Northerners must rely primarily on air transportation for supplies, access to health and educational facilities, and pleasure and business travel. The low volume of passengers, the vast distances that have to be covered and the harsh climate combine to make air travel to, from, and within the North more expensive than elsewhere in the country.

... the air transport mode is our taxi, our ambulance and our hearse.

**M. Vaydick, Chairman of the
Keewatin Regional Health Board
and Regional Director,
Government of Northwest Territories,
Rankin Inlet
Rankin Inlet hearing**

... you go on to the more northerly communities, your plane gets smaller, the ticket price gets larger.

**R. Corbett, Executive Director
Northern Ontario Native Tourism Association, Thunder Bay
Thunder Bay hearing**

If you lived in the South, somebody could choose between a bus or train or get on the highway and hitchhike, but nobody around here has that ability, and I think that for the development of the North and for the lives of people in the North, this type of limitation is really very, very severe.

C. Hill
Department of Education, Government of
Northwest Territories, Inuvik
Inuvik hearing

... if somebody is ill, if somebody is having a baby, if there is a fire, you can't get people in and out. They are stuck there. They have to deal with survival in the same terms they had to 100 to 200 years ago.

P. Rogerson, Assistant Director
N'Swakamok Native Friendship Centre, Sudbury
Sudbury hearing

EFFICIENCY

For many Canadians, efficiency in the passenger transportation system is the fundamental building block that must be in place for all other objectives to be achieved. Speakers in the hearings had many suggestions on how efficiency could be realized. Some said that too many levels of government are involved in making transportation policy and choices. They suggest that some

Passenger transportation is provided by a combination of competing and cooperating transportation technologies across a wide geographic area. The passenger system will provide adequate passenger service at least cost only if the components of the system are able to coordinate and compete with each other.

Centre for Transportation Studies
University of British Columbia, Vancouver
Brief

layers of government be eliminated and that the decision making process be streamlined. Others felt that the transportation system should be looked at as an entity, rather than mode by mode, to encourage users, government and industry to make more efficient use of the existing networks and facilities.

There needs to be an appropriate mix among the various modes of transportation so as to maximize the effectiveness, efficiency and competitiveness of the system. Transportation in Canada means different things to different regions.

**W. Hogan, Member of the House of Assembly (District of Placentia)
St. John's hearing**

Many speakers suggested that more efficiency could be achieved if duplication and waste were avoided, and if investments were made that would yield the best results. They did not all agree on what a best result would be. Some speakers argued that expenditures on transportation should not be looked at as costs but as investments for the future. Others argued that efficiency should not be measured only in dollar benefits versus dollar costs, but that these benefits and costs must include intangibles such as accessibility and reliability, as well as other costs, such as pollution and energy use.

Indeed, if public transportation, that is, transportation of people — and I stress, public transportation — is perceived by governments as an expenditure, there will never be enough money.

On the other hand, if it is perceived by governments as a long-term, and even a very long-term investment, which only they can afford, the more money they spend in the right places, the higher the return will be.

**J.-P. L'Allier, Mayor of Quebec City
Quebec City hearing**

NATION-BUILDING

Passenger transportation is the umbilical cord that links us to the heart of the country.

**R. Roy, Conseil régional de concertation et de développement de la Gaspésie et des Îles-de-la-Madeleine, Gaspé
Rimouski hearing**

A large number of Canadians believe that transportation plays a vital role in holding the country together. The ability of people to travel from one area to another

is considered critical in promoting unity. During the hearings, many speakers emphasized the importance of transportation in connecting the different regions of Canada, reducing the effects of isolation and promoting interregional understanding.

If we are to continue functioning as a country, we must be able to visit one another.

**M. Beemans, Vice-President
Transport 2000 Quebec, Montreal
Montreal hearing**

The vastness of Canada makes a national passenger transportation system mandatory. Recent stresses on the unity of our country point out the need to understand the feelings and needs of people in all regions Accessibility for people of all regions is a fundamental requirement of holding a nation together.

**Roman Catholic Agriculture Coordinating Committee, Regina
Brief**

Most Canadians agree that the quality of the transportation system also affects our international competitiveness and image as a thriving, energetic nation. They do not necessarily agree on how a competitive edge can be achieved,

particularly with respect to the United States. Some are worried that north-south links between Canada and the United States are being strengthened at the expense of the east-west links that tie the country together. Others are

convinced that north-south links are necessary to improve the economy and enhance international competitiveness.

The world of the 21st century will require this country to use all transportation facilities and services — from railroad through to international airways — as a prime means of gaining a competitive edge on other countries.

**The Honourable A. Adair, Minister of
Transportation and Utilities
Government of Alberta
Edmonton hearing**

This difference of opinion includes the related issues of open skies, an open-border market, cabotage, and international agreements allowing foreign air carriers into Canada's domestic market with Canadian air carriers accorded rights to carry passengers between points within the foreign country. Fifty-five percent of those polled support (and 40% oppose) an open skies concept if it means lower air fares. Proponents believe that more competition will significantly improve Canadian opportunities in the global marketplace. Opponents are concerned about the vulnerability of Canada's two major airline companies, who are small players when compared with the largest firms in a highly competitive global industry.

We realize that Labrador was late entering the 20th century. An intensive effort is required to bring Labrador up to date, to enter the 21st century equal with other Canadians who expect adequate transportation systems as a right and not a privilege.

**P. Lough, Coordinator
Labrador Community Futures Committee, Wabush
Goose Bay hearing**

REGIONAL DEVELOPMENT

Speakers from across Canada believe that investment in transportation facilities, expansion of air and rail services, and improvement of highway and ferry systems stimulates economic development in their areas. A fast, efficient passenger transportation system is key, many said, to attracting business, creating jobs and developing tourism.

... if there is anybody that talks of noise [at Dorval airport] we say "No, no, that's economic music"...

**P. Yeomans, Mayor of Dorval
Montreal hearing**

To ensure a healthy, growing provincial business population, we must be able to provide transportation services that can link one with the country, and with the world if necessary, in a very short period of time.

**V. Kononoff, Vice-President
Saskatchewan Association of Rural Municipalities, Regina
Regina hearing**

Many Canadians, particularly those in more remote areas that do not have strong industrial bases, look to tourism as a means of bringing prosperity to their communities. For some, improved rail service is seen as critical to the development of this industry. They believe that vacationers choosing rail vacations go to the United States and Europe,

If small rural communities are to develop, grow and remain a vital part of our society, we must ensure that we have a strong rural infrastructure.

**R. Laporte, Member of Parliament
(Moose Jaw-Lake Centre)
Brief**

where train service is more frequent, reliable and comfortable. For others — particularly those from areas served primarily by air transportation — jet service, cheaper air fares, improved airports and airstrips and more frequent flights are thought to be fundamental to attracting tourists.

Regional development and tourism are also believed to depend on improved highway and ferry systems. For Atlantic

... our ferry service is more a critical part of our life than any part of the Trans-Canada Highway you may drive on in your own province. Our ferries are our highway to Canada.

**M. McLean, President and CEO
Northumberland Ferries Limited,
Charlottetown
Charlottetown hearing**

Canadians, aging fleets and harsh winter conditions often make year-round ferry connections unreliable for those who use this service. Some Canadians feel that their communities do not have enough ferry services or roads. Others are concerned about the state of their roads, and the section of Trans-Canada

Highway that passes through their provinces. Complaints include reports of poor road surfaces, unsafe driving conditions and two-lane highways where four lanes are said to be needed. Representatives from many regions are worried that their provincial economies will not be able to support the high cost of ferry and road repair and maintenance.

We must recognize that the car is the dominant form of transportation and that because of this reality, we must have an adequate road system of high quality.

**C. Pinault, Deputy Executive Director (Communications)
Canadian Automobile Association (Quebec)
Quebec City hearing**

We are not looking for instant solutions, but we are saying if we don't look for solutions, we are going to end up with Arctic ghettos . . .

**J. Todd, Secretary
Keewatin Chamber of Commerce, Rankin Inlet
Rankin Inlet hearing**

If the federal government proceeds with its plan to cut the Sydney-Halifax rail service, it will have created an "Economic Curtain" which will cause untold suffering, physical and mental, to Eastern Nova Scotia just as surely and callously as any structure of iron and stone.

**M. Mathieson, President
Canadian Association for Community Living, Sydney Branch
Sydney hearing**

SAFETY

Canadians have mixed feelings about the safety of the passenger transportation system. Of those polled, 60% believe that Canada's airlines are very safe, while fewer (30%) believe that the highways are very safe. Many agree that the highways are well marked (60%).

Many Canadians spoke about air-traffic congestion at major airport hubs, particularly Toronto's Pearson International Airport, which they feel may make air travel hazardous. Some speakers said that airports should be upgraded, and if necessary, expanded to maintain safety standards. Residents of remote communities that rely primarily on air transportation were particularly concerned about substandard airport buildings, runways that require paving or are too short for some airplanes, and inadequate weather-reporting services and navigational aids. Northerners said that flight attendants should be fluent in native languages in order to provide safety information and assistance in emergencies.

Canadians indicated their concern over highway conditions that they feel make driving dangerous. They said that trucks are a danger to car passengers, both because of the number and size of the trucks, and because of the deterioration of

highways caused by an increase in heavy truck traffic. Thirty-six percent of those polled believe that the number of large trucks on the highways poses a safety threat.

Highway capacity problems, roadside development and other highway deficiencies have led to serious safety concerns. Recent figures indicate that New Brunswick has the highest level of highway fatalities for 10,000 registered vehicles of any province. And that is where the rubber meets the road.

**The Honourable F. McKenna
Premier of New Brunswick
Fredericton hearing**

PROTECTION OF THE ENVIRONMENT

Many speakers cited the quality of the environment as a prime objective of the transportation system. Our poll results indicate that the environment is one of the major

issues that Canadians feel governments should address when making transportation policy. Seventy-nine percent of those polled believe that environmental concerns should receive the most attention by governments. Participants in hearings across the country spoke about the environmental dangers posed by the use of cars and trucks, and emphasized the need to encourage people to leave their cars at home and take public transportation instead.

Environmentally sound passenger transportation is no longer an option for Canada. It is an imperative.

**Pollution Probe Foundation, Toronto
Brief**

... those of us who have been waging this battle over the last decade were not the romantics that we were made out to be so many times ... but rather the people who in the final analysis will turn out to be the realists ... the truly unrealistic view, it seems to me, is the view that we can keep going the way we are going, keep increasing our dependence on the automobile ...

B. Blaikie, Member of Parliament (Winnipeg-Transcona)
Winnipeg hearing

... I wish to urge in the strongest possible language that the Commission clearly and unequivocally condemn any proposal which would encourage even greater use or reliance upon the private automobile. Any other position is untenable in the face of overwhelming evidence of the damage done by even the present scale of fossil fuel use both here in Canada as well as in the global community.

D. Rutherford
Toronto
Dial-A-Brief

If we put more emphasis on public transportation it's because we see that we will have to, at one time or another, make a choice; individual freedom today to the detriment of the environment; it's a question that we will have to ask ourselves at one point or another because the environment ... the sky will be so filled with pollutants, it will fall on our heads.

P. Allaire
Les Ami-e-s de la Terre de Québec
Quebec City hearing

With air travel seen by those polled to be an expensive way to travel, and bus transportation seen as not being as attractive, many Canadians believe that trains could and should be the preferred mode of public transportation. This belief is reinforced by the perception (held by 47% of those polled)

that trains are environmentally friendly, where only 12% thought this about buses. Pointing out that a transportation mode should be judged not just by its profits and losses, but by its value to society, rail proponents emphasized the need for the federal government to reverse its policy of cutbacks and expand, as well as restore, passenger train service.

It's important not to reduce, under any condition, the already minimal level of passenger rail service. If this were to happen, Canada would have the questionable honour of being the first and only country in the world to voluntarily give up passenger rail service when everyone else believes it to be the mode of the future . . .

**J. Doré, Mayor of Montreal
Brief**

Proponents of rail transportation acknowledge that the quality of passenger train services, particularly with respect to comfort, reliability and scheduling, must be significantly improved to get Canadians out of their cars and off the highways. Some think that improved conventional rail, both transcontinental and local service, would provide a viable alternative to the car. Others do not believe

Without rail there would not be a country called Canada, I don't think . . . But economically, I am the first one to understand that it is very difficult. It's expensive. It's almost impossible without subsidies to operate such a system. It's a fact of life.

**P. Camu, Senior Consultant
Lavalin Inc., Montreal
Montreal hearing**

that conventional rail, particularly a cross-country service, is the answer. Instead, they look to a high-speed rail system, especially in areas such as the Quebec City-Windsor corridor and the Edmonton-Calgary corridor. They envision

a system, much like the Train à Grande Vitesse (TGV) in France or the bullet train in Japan, that would link major cities and airports, be connected to urban transit systems and generally provide fast, efficient, reasonably priced, and environmentally friendly transportation.

AN INTEGRATED SYSTEM

For some Canadians, the ideal passenger transportation system is one that integrates different modes of transportation. This integrated system would connect modes either through a single reservation system or through common facilities, such as train stations, airports and bus terminals. This would make intercity travel easier and more convenient. Many Canadians would like to choose between a variety of modes of travel for a trip and be able to move between these modes easily.

... it is time as well that we must begin to think less about an airline industry, less about a rail industry, less about a bus industry, and start thinking about a transportation industry.

**T. Guilbault, Alderman
Red Deer
Edmonton hearing**

... the entire transportation industry must recognize that a passenger's ultimate destination is not a terminal and is not an airport. By definition, intermodal transportation services are required to get the passenger from his true point of origin to his ultimate destination.

**J.A. Munro, Senior Vice-President
Greyhound Lines of Canada Ltd., Calgary
Calgary hearing**

The system will marry transportation and communication technologies in a way that will support the needs of the business traveller, the system will be developed with creature comforts that will meet the needs of family, tourists, the elderly and the infirm. Sub-systems will be designed to effectively link communities within regions and link those communities to transportation hubs.

C. M. McIntosh, President
Quetico Centre, Atikokan
Thunder Bay hearing

Many Canadians feel that a successful, integrated intercity passenger transportation system must also be coordinated with local transportation modes, including taxis and urban transit systems.

You come to Regina by air — there is no train, the bus is a mile and a half away. It's downtown. But there are probably no cabs at the airport for you to get to go down there, and there is no bus service to the airport to connect the airport to the city . . . whoever is in the scheme of things, they should say, "Look, we need a transportation centre."

B. MacPherson, President
Prairie Flying Service, Regina
Regina hearing

THE PUBLIC AND PRIVATE SECTORS: WHAT SHOULD THEIR ROLES BE?

A NATIONAL POLICY

A number of Canadians believe that to achieve an integrated, nation-wide passenger transportation system, a national transportation policy must be developed. This policy, it is believed, would solve the problems created by previous strategies that approached transportation in an incremental, mode-by-mode fashion.

So basically what we have in Canada is . . . randomness in services, randomness in terminals, randomness in connections, randomness in coordination, randomness in regulations, randomness in funding, randomness in transportation philosophy, and randomness in jurisdiction.

**J. Bakker, President
Transport 2000 Alberta, Edmonton
Edmonton hearing**

The simple fact is that we have all been guided by short-term and parochial priorities. I would daresay that . . . Canadians have rarely taken a long-term national view of transportation, passenger or freight, since the early days of this century.

**A. Eggleton, Mayor of Toronto
Toronto hearing**

Canadians say that the federal government should play a lead role in the formation of such a national transportation policy by coordinating the modes of travel, as well as promoting competition among modes; by developing uniform standards in quality, service, accessibility, safety and environmental protection; and by stimulating research on transportation issues.

Canada's transportation history has been one of government involvement. This has moved from the waterways and the railways to the highways and the airways.

**R.H. Tivy
Surrey
Brief**

In every mode that we have today, you don't move only people by air; you are flying an airline, you are moving cargo all the time and if you looked at all the facilities across the country, right next to the passenger terminal there is usually a cargo terminal . . . you just can't differentiate between moving people and moving freight . . .

J. Comuzzi, Member of Parliament (Thunder Bay-Nipigon)
Thunder Bay hearing

We were told that a national transportation policy cannot be implemented without consultation with communities, cities and regions.

Speakers emphasized that a single policy is not always appropriate in a country as diverse as Canada. What may be beneficial or necessary for densely populated areas may not be advantageous for

remote and rural regions where the population is scattered and distances between centres are long. Flexibility in rules and regulations is deemed to be necessary to accommodate local needs.

I would like to request that, when you are looking at a national transportation system, that it should be of benefit to all Canadians or don't call it national.

A. Robertson, Executive Director
Trumpeter Regional Initiative Project,
Grande Prairie
Grande Prairie hearing

Integrated, long-range planning that balances national and regional priorities should be the cornerstone of federal inter-city passenger transportation policies.

The Honourable S. Petersen, Minister of Transportation
Government of Saskatchewan
Regina hearing

DIRECTION AND OWNERSHIP

Canadians are divided on the issue of whether the public or the private sector should own and/or manage the various parts of the transportation system. Many believe that government should supply the infrastructure. This could include providing a national reservation system and intermodal passenger terminals in support of an integrated national system, as well as building and maintaining highways, bridges, airports, railway tracks, and harbours. Proponents of greater government ownership are concerned that private industries, which operate to make a profit, will not have the motivation to ensure that social, safety and environmental goals are met. Others would also like to have government ownership of carriers, because they believe that this would ensure access and affordability in all areas of the country.

There are many grounds for the belief that a wholesale adoption of competitive market principles is unwarranted in the passenger transportation sector, and that there is an important role for economic regulation and for public ownership. Indeed it can be argued that the benefits of competition can be obtained only in a regulated environment.

**Canadian Labour Congress, Ottawa
Brief**

For regions such as ours, there is no doubt that transferring responsibility [for developing and maintaining rail service] to the private sector or if you will, to the laws of the market, would certainly serve to isolate our region more than ever, and even slow down our economic development.

**U. Blackburn, Mayor of Chicoutimi
Chicoutimi hearing**

Other Canadians favour the transfer of certain responsibilities to private industry. They believe that private-sector management and ownership of carriers, and infrastructure such as airports, will create a more competitive environment, which, in turn, will lower prices and provide travellers with a wider range of transportation options.

[with respect to high-speed rail] . . . the solution should involve close cooperation between the public and the private sector, the former being responsible for basic infrastructure and the latter being involved in the daily operations.

**R. Morency, President of the Transportation Committee
Chamber of Commerce and Industry of Metropolitan Quebec
Quebec City hearing**

COMPETITION: REGULATION AND DEREGULATION

Regulatory reform is a contentious issue for many Canadians. Proponents of deregulation believe that government regulation of transportation industries should be limited to safety and environmental concerns and that market forces should be allowed to shape the transportation sector.

Both inter- and intra-modal competition should be the main driving force of the transportation industry. In the case of modal sectors such as rail and bus, this will require further deregulation of the industry. Air, already largely deregulated, should continue on this path, plus create potential new competitive forces by allowing foreign carriers greater ability to compete in Canada. An efficient and competitive domestic market should be the ultimate goal of any airline deregulation.

**H.I. Wetston, Director of Investigation and Research
Bureau of Competition Policy, Consumer and Corporate Affairs
Canada
Ottawa hearing**

Those opposed are concerned that deregulation is detrimental to residents of remote areas where some routes may not be profitable and where few carriers are willing to compete to offer services. Safety, some feel, has also been compromised as a result of deregulation.

A national passenger transportation system which provides Canadians in all regions of the country with safe, reliable, and affordable service can only be built through public policy. Regional development, nation-building and equitable treatment for all Canadians are transportation policy goals which will not emerge from an unregulated marketplace.

**T. Boyle, Communications Officer
Saskatchewan Federation of Labour, Regina
Regina hearing**

Many Canadians, particularly those from the North, are critical of economic regulatory reform in the airline industry. Instead of benefiting from the increased service and lower prices that competition should provide, Northerners feel that their transportation choices, already narrow, are decreasing. They told us that prices are continuing to rise and scheduling is becoming erratic as carriers are being forced out of the market. Many speakers suggested that the airline companies operating in the North should be re-regulated to guarantee carriers a reasonable profit and to ensure continuity of service for isolated communities.

I can tell you that there is not an airline in the North that I know of, a scheduled airline carrier, that is making money; that, in fact, our airline industry is in a very, very precarious state because of deregulation.

**The Honourable G. Wray, Minister of Transportation
Government of Northwest Territories
Yellowknife hearing**

Some speakers recommended that market forces and deregulation should generally prevail, except when transportation carriers might require protection from international competition. Others were pessimistic about Canada's ability to achieve — without significant government regulation — a national integrated transportation system.

I think we have a very good system in Canada, where the large international carriers are in existence and carrying the longer domestic flights, but we also have a very well-developed commuter regional network . . . I guess when we look at regulation and deregulation, I would feel that a return to the tight regulation would really just stifle any of the growth.

R.W. McCabe, General Counsel
Air Atlantic Ltd., St. John's
St. John's hearing

JURISDICTION: WHICH LEVEL OF GOVERNMENT SHOULD DECIDE?

. . . it is great for everybody to be putting out the opinions but there has to be somebody who is clearly defined as the decision maker.

P.S. Janson, President and CEO
Asea Brown Boveri Inc., Saint-Laurent
Toronto hearing

Many Canadians are dissatisfied with the current decision making roles of various levels of government. Speakers criticized the poor coordination between levels of government and between agencies within a single jurisdiction. They feel that the three levels of government — federal, provincial and municipal — have failed to form the partnership needed to plan integrated transportation development.

I want to deal with . . . the need to disentangle the myriad of responsibilities . . . between all three levels of government.

**M. Bradley, Mayor of Sarnia
Windsor hearing**

This famous international route [the Alaska Highway] is being held hostage while the federal government continues to cut budgets for the highway; and the provincial government is equally unwilling to take over.

**F. Parker, Mayor of Fort Nelson
Grande Prairie hearing**

Opinions vary regarding which level of government should be in charge. Some believe that the federal government should have a greater policy role in transportation. They suggest the creation of different types of federal agencies or bodies, such as an overriding body to coordinate and integrate the modes and all government initiatives; a Canadian Rail Authority that would run the national railway network as a public utility; and a Canadian Terminals Agency running inter-modal stations for buses, trains, urban transit and airplanes. A number of speakers emphasized the need for greater federal jurisdiction over highways to ensure standards and good highway links.

We do not believe that transportation policy formulation and management can be segmented over various levels of government. Careful integration of policies is necessary for effective transportation systems to evolve.

**Canadian Urban Transit Association,
Toronto
Brief**

We feel that if there was a national highway policy and a national specification for highways throughout the country, it would tend to serve as a link from sea to sea, instead of every province having a different standard and a different specification for their own particular type of highway.

**R. Perry, Secretary-Manager
The Prince Edward Island Road Builders Association, Charlottetown
Charlottetown hearing**

I think in the U.S. the interstate highway system comes under federal jurisdiction . . . from a practical point of view, it means you've got a uniform highway quality across the country. We don't have that in Canada, and the best way you can learn that is to drive from Montreal to Halifax.

**T. Nisbett, Manager, Policy Development
Halifax Board of Trade
Halifax hearing**

Other Canadians are opposed to more federal government involvement in decision making. They believe that regional and local governments should have a stronger say in decisions that affect their areas. While many understand and support the need for national leadership at the policy level, they are convinced that

. . . I think the principle that one appeals to is that the people who best know what they need are the people who require the service.

**M. Hollinshead, President
Facing the Future Inc., Edmonton
Edmonton hearing**

local governments understand their own problems best and are the most effective at finding answers. Northerners assert that federal regulations made to suit southern situations do not apply to the real needs of Northerners. They would like

to be given responsibility for implementing such regulations, so that they can find "Northern solutions to Northern problems."

FARES, TOLLS AND TAXES: WHERE SHOULD THE MONEY COME FROM?

Some people may say, "Well, some of this is provincial, some of this is federal." And to those people, I say, "Gentlemen, the money comes from my pocket whether it's federal or provincial — and from your pockets too. So in the long run, there is not very much difference."

**G. Gingras
Charlottetown
Charlottetown hearing**

Canadians acknowledge that a national, integrated passenger transportation system could be expensive. They are also aware that increasing costs and government deficits have led to cost-recovery policies that encourage government-owned facilities and operations to be as self-sustaining as possible.

... transportation infrastructure should be viewed as an investment which can generate long-term benefits.

**B. Kennedy, Acting Mayor
Thunder Bay
Thunder Bay hearing**

Many believe that transportation should not be only a question of profit and loss. They point out that the basic infrastructure required to support economic activity may never be financially self-sufficient, or may take many years to achieve viability. They argue that the pursuit of social, safety, regional and environmental goals may require transportation investments and facilities that could never be justified on a balance sheet.

... our situation in the North is unique, it is special; we are on the periphery of the service that is taken for granted in southern sections of the country, and there must be concessions.

**The Honourable M. Byblow, Minister of Community and
Transportation Services
Government of Yukon Territory
Whitehorse hearing**

Many speakers said that governments should continue to pay for infrastructure (alone or in partnership with private industry) and provide subsidies for modes that require support. Fifty-six percent of Canadians polled strongly support, and 26% somewhat support, the idea that federal subsidies should be used for highway construction and maintenance, even though highways are a provincial responsibility. Sixty-four percent support federal subsidies for a Canada-wide passenger train service; 61% support subsidies for passenger train service to less populated areas; and 53% support federal subsidies for passenger train service between major centres. Forty-four percent of Northern residents strongly favour federal subsidies for air transportation, with another 26% moderately in favour. Forty-eight percent of Northerners polled strongly favour federal subsidies for building and maintaining highways.

It is interesting to note that 34% of Canadians polled believe that the air system receives the greatest amount of federal assistance. Twenty-three percent think highways receive the most federal dollars, and 25% believe

We are struggling and scraping and saving and trying to find every nickel that we can to put into the highway . . . but we just can't afford to build a brand new highway through New Brunswick to carry everybody else's traffic. It would bankrupt us financially.

**The Honourable F. McKenna
Premier of New Brunswick
Fredericton hearing**

that rail receives the greatest federal support. When asked where they thought federal subsidies should go, 40% selected highways, 32% chose rail and 12% picked air.

When asked what mode provincial governments were subsidizing, and what mode provincial governments should be subsidizing, respondents showed much less disparity: 10% said air was subsidized, and 5% thought air should be subsidized; 54% said highways were subsidized, and 57% thought highways should be subsidized; 7% thought rail was subsidized; and 16% thought rail should be subsidized.

How can governments raise enough money to pay for infrastructure, finance these subsidies and achieve transportation objectives? Some Canadians suggest that taxes collected from transportation should not be added to general revenues, as they are now, but should instead be used exclusively for the transportation system. They note that federal government revenues from fuel taxes are significantly higher than federal expenditures on highways. Since the maintenance of highways is a provincial responsibility, these Canadians recommend that the federal government share costs with the provinces for improvements to the national highway system.

Funding provisions should be established as part of a National Highways Policy which recognize the economic importance to the entire country of an efficient road system; the need to ease the burden of taxes currently applied to road users; and the need to refrain from applying tolls which cause traffic congestion, delays and [have] a negative impact on tourism and transportation.

Canadian Automobile Association (Saskatchewan), Regina Brief

Many Canadians are not convinced that governments should support so many aspects of the transportation system. Some agree that Northern and remote regions may require special subsidies because of their unique geographical situation, but argue that in other regions there should be no subsidies. Proponents of this view

We strongly urge the Royal Commission to establish an immediate investigation into the area of subsidy levels to ensure that equity, or a level playing field, is used for all modes of transport.

**Winnipeg Chamber of Commerce
Brief**

argue that subsidies can create an "unlevel playing field" among the modes, favouring one mode over another and thus restricting real competition. Speakers who support passenger train service, for example, note that the playing field is not level because railway companies must maintain their infrastructure and pay property taxes, while other carriers, such as trucking firms and airline companies, use infrastructure at least partly paid for by taxpayers, not the specific users of the service.

There are complaints that government policies in areas such as taxation place the railways at a competitive disadvantage to trucking companies and the U.S. railway industry. Is the "playing field" between sectors and countries uneven and, if it is, how can it be changed to the benefit of carriers and transport users?

**Western Transportation Advisory Council (WESTAC), Vancouver
Brief**

... if you're using level of subsidy as a basis upon which you're making a policy decision [to cut back rail] which is going to affect the makeup of this country and how this country works and functions, you have to balance it alongside the subsidies that you are also giving the road transportation system and the air transportation system ... it's clear that air traffic does not recover to the public purse the costs that are inherent in actually allowing that system to operate.

**C. Lorenc, Councillor
City of Winnipeg
Winnipeg hearing**

During the course of the hearings, speakers suggested a number of other funding options: a special tax on heavy trucks to pay for highway damage; an environmental tax on gasoline to fund research into more energy-efficient cars; private financing from businesses or groups that profit from the transportation system; and a user-pay system in which indi-

... there is a toll paid on [the Coquihalla Highway], and I have heard nothing but praise for that as a system. If that is what it takes to cut off the miles and get that particular link of the infrastructure in place, then we are happy to pay it.

**D. Logan, Mayor of Grande Prairie
Grande Prairie hearing**

viduals pay for the transportation services they use. Such charges could include road tolls, airline ticket taxes, and fees for drivers' licences and vehicle registrations. Some feel that user-fees would be an equitable method of raising revenues to pay for infrastructure, maintenance and operating costs.

THE ACCOUNTABILITY OF DECISION MAKERS:

HOW SHOULD THE PUBLIC BE INFORMED?

The first responsibility should be to agree that too many large critical costs are hidden in the transport system accounting, and that nothing of sound or lasting value can be concluded or planned unless those questions are answered with facts or as close to expression of fact and discipline as the information permits.

J. McCullum, President
Transport 2000 Ontario, Toronto
Brief

Canadians are not convinced that they are being told how their money is being spent. They would like a clear accounting of the subsidies paid to the different modes of transportation. They do not think that a fair comparison can be made between the modes, because subsidies and costs are hidden within the system. These hidden subsi-

I hope that the Commission will try to get some truth in the way in which costs and subsidies are being reckoned. Up until now, there has been quite a lot of smoke and mirrors.

J. Olsen
Kingston
Dial-A-Brief

dies and costs include investments made in air and road infrastructure, which are reported as annual expenses and mixed in with annual operating expenses. Other hidden subsidies and costs are those associated with policing highways, providing medical assistance for victims of traffic accidents, and repairing environmental damage caused by the transportation system.

Canadians recognize the difficulty in establishing the actual government expenditures for each mode. They understand that split levels of jurisdiction, direct and indirect subsidies, and the difficulties in measuring social and environmental costs all contribute to the difficulty of establishing a comprehensive accounting system.

And yet, Canadians still feel that a more comprehensive accounting of costs would provide a more adequate basis on which to compare all modes, especially when large infrastructure expenditures are contemplated. They also believe that they have the right to know what the costs are and, more particularly, how the various levels of government are spending tax dollars on each mode. For many, such an accounting system is a prerequisite to any attempt to evaluate passenger transportation policy.

CONCLUSION

A concentrated round of public hearings, spanning 30 communities, has given us a better understanding of the intrinsic importance of transportation and of how deeply it is ingrained in Canadian life. The airplane, the train, the bus, the car and the ferry are vital connections in everyday life, linking community to community, daughter to mother, friend to friend. The airplane is also a lifeline for Northern communities, and Canada's link to the rest of the world.

Passenger transportation is central to the lives of most Canadians. In communities affected by reductions in public transportation services and rising costs, people feel that symbols of their Canadianism are being chipped away. They feel that something is being eroded — an essential ingredient that has allowed Canadians to forge their own cultures and communities on this northern part of the continent.

Canadians spoke out on their needs and desires for the national passenger transportation system. In Annex V-2 to this chapter, we include a summary of what we heard in each day of public hearings. When Canadians look ahead, they expect to travel more — 45% of those polled anticipate that their pleasure travel will increase over the next five years and 43% expect their travel to remain the same. They also believe that they will use their cars more often (49%) and will also fly more frequently (47%). Only 20% expect to use the bus more often, 21% the train. What kinds of pressures will these expectations put upon the present-day passenger transportation system and how governments and private industry will operate the transportation networks? How will it influence decision makers?

In the next chapter, we comment on some of the things that we have heard, including some that worry and trouble us. We also suggest an approach for our further work.

ANNEX V-1

CANADIANS' PROPOSALS FOR TRANSPORTATION IMPROVEMENTS

The following list is not exhaustive, but represents some of the many projects that Canadians proposed during the hearings to improve the current transportation system. All were considered important by the individuals, communities and groups suggesting them. Clearly, the demand for transportation improvements is high, and choices will be required.

- Extend the highway from Thompson to Churchill, Manitoba.
- Abolish excise taxes on fuel in the North.
- Build a high-speed rail link between Calgary and Edmonton.
- Improve road designs, signs and aids to help older travellers to drive more safely.
- Build a rapid-rail system to link Montreal to Mirabel Airport.
- Issue a round-trip VIA Rail ticket to every high-school graduate for a trip within Canada.
- Institute a road-damage charge for trucks.
- Build a snowmobile road in Labrador.
- Create uniform standards for mobility so that mobility aids (such as wheelchairs) can also be used for intercity travel.
- Act immediately on the third runway project at Vancouver International Airport.

- Develop a Vancouver Island air transportation network, linking Victoria, Nanaimo, Comox-Courtney, Campbell River, and Port Hardy, to enhance business, tourism and economic development.
- Purchase bi-level cars for VIA Rail.
- Put abandoned rail rights-of-way into a land bank — “rail-banking” — for possible future transportation use, and use them as recreational trails in the interim.
- Restore daily train service on the transcontinental route, especially between Winnipeg and Vancouver.
- Upgrade the Alaska Highway.
- Develop fast intercity rail passenger service in the Prairie Triangle (Winnipeg-Saskatoon-Edmonton-Calgary-Regina-Winnipeg).
- Halt the privatization of airports with a commitment to provide the resources needed to operate them safely.
- Upgrade the Trans-Canada Highway in Regina.
- Finance new airport terminal facilities through user-charges.
- Restore the service on the original route of the “Canadian.”
- Abolish air transportation tax in the North.
- Build a new airport terminal in St. John’s, Newfoundland.
- Construct a bridge to Cumberland House, Saskatchewan.

- Construct a new four-lane highway to improve safety in Laurentian Park.
- Provide free air fare for attendants of disabled passengers.
- Institute a highway program for New Brunswick to upgrade the Trans-Canada Highway.
- Provide a high-speed rail system in the Quebec City-Windsor corridor.
- Implement a transportation policy sensitive to energy efficiency and the environment.
- Build a new toll-financed highway through mid-Ontario.
- Expand Highway 75 in Manitoba.
- Retro-fit for disabled persons all equipment and facilities purchased with federal funds and provide accessible terminals and rolling stock.
- Freeze all rail line abandonment.
- Reinstate immediately rail service to Northern Ontario.
- Construct a four-lane highway into and out of Thunder Bay.
- Give VIA Rail passenger services priority over freight services, where they share lines with freight.
- Electrify railway lines and rehabilitate branch lines.
- Develop an urban transit role for the federal government and provide the necessary funding and leadership.

- Complete the Trans-Labrador Highway.
- Bring railway tracks (CN and CP) under public ownership through the establishment of a separate Crown corporation to own and operate the rail bed system.
- Build an outer ring road in St. John's, Newfoundland, to relieve heavy traffic.
- Introduce a "green tax" on gasoline.
- Construct a fixed link, in the form of a bridge or tunnel, between Prince Edward Island and New Brunswick.
- Integrate bus and rail stations.
- Improve the road network on both sides of the Northumberland Strait to cope with increasing traffic.
- Build a longer, more adequate runway at Magdalen Islands airport.
- Construct a highway from Northern Manitoba through Rankin Inlet to Repulse Bay, Northwest Territories.
- Create a Youth Transportation Card to allow special additional discounts for travel by youth (aged 15-25).
- Reinstate the passenger rail service between Sydney and Truro, Nova Scotia.

ANNEX V-2

THEMES AND HIGHLIGHTS

The Commission held public hearings in 30 Canadian locations over an eleven-week period. Each day the staff prepared a short note capturing some of the key issues raised with us that day. These notes, called Themes and Highlights, became a diary of our experience. We found that we often referred to these notes to remind ourselves of what we had heard.

In the following pages we reproduce these notes as they were written.

THEMES AND HIGHLIGHTS

Yellowknife, Northwest Territories

Monday, August 27, 1990

- Due to the vast distances, the climate, the isolation and the sparse population, there are difficulties in transportation that are particular to the North. Transportation touches every aspect of life in the North.
- The North is the most dependent in Canada on transportation, yet has the least amount of transportation infrastructure.
- Deregulation of the airline industry was criticized by almost every intervenor in Yellowknife. Most intervenors also mentioned the need for improved highways and the need for paving dirt roads.
- Northern problems need Northern solutions. For instance, federal air regulations made in the South often do not apply to Northern transport reality, e.g. combi regulations; marine regulations.
- Intervenors were concerned about road safety in the North, e.g. dirt roads and their high accident rates. Other safety concerns dealt with air travel and ferry safety.
- There is a need for a coordinated federal-territorial transportation program with long-term objectives. Another recurring theme from intervenors was that while transportation links Canada together in the South, North-South links are needed.

THEMES AND HIGHLIGHTS

Iqaluit, Northwest Territories

Monday, August 27, 1990

- Air travel is far too costly in the North for the ordinary individual. Many travellers receive subsidies (e.g. government travel, large private companies).
- Passenger travel and cargo cannot be separated in the North. They live in symbiosis. Combination air passenger and freight (combi) flights are safe. There is no need for new regulations. Regulations for the South cannot simply be duplicated for the North.
- The Goods and Services Tax (GST) on transportation is very punitive in the North. Furthermore, it is a tax on a tax.
- Increasing air services in Inuktituk is paramount for better service for the Inuit people. For safety reasons, Inuktituk-speaking staff is required both in the air and on the ground.
- Tourism is the major, if not the only, growth sector for the future. Increased airport customs resources would allow the local community to obtain some economic advantage from passengers on re-fuelling flights.
- Major recommendations of the Royal Commission should include funding for airport infrastructure and docking facilities, devolution of responsibilities to the territorial government and improved consultations with local communities.

THEMES AND HIGHLIGHTS

Inuvik, Northwest Territories

Tuesday, August 28, 1990

- The North is dependent on air and road transportation. Many communities are totally dependent on air service and even that is only available during certain times of the year. The high cost of living and doing business in the North was another key issue. Transportation costs are directly attributable to the high cost of Northern living.
- Transportation touches every aspect of life in the North and is key to the quality of that life. Transportation is key to achieving self-sufficiency and reducing the feelings of isolation in the North. Residents of smaller communities are "trapped" due to the cost of travel and lack of alternatives.
- Often federal air regulations made in the South can not apply in the North, e.g. combi regulations, hours of operation. Some intervenors complained about air deregulation, particularly for licensing aircraft.
- Intervenors were concerned about air safety in the North because of the state of the air transportation, navigational and weather information and services. Full implementation of the 1974 federal policy for northern air transportation is needed.
- Transportation infrastructure and services that are taken for granted in the South are still not available in the North. Northerners "dream" of gravel roads to link communities.

THEMES AND HIGHLIGHTS

Rankin Inlet, Northwest Territories

Tuesday, August 28, 1990

- In the Arctic, passenger and freight are two essential parts of one transportation service (combi aircraft). It is not possible to discuss one without considering the other. There is a danger in trying to apply Southern standards to Northern requirements.
- Cost for both passenger and freight air transportation is very high. For instance, it is cheaper for Canadians to fly to Bangkok than to get to Rankin Inlet. According to Northerners, shipping costs of goods amount to \$8,300 per year for every man, woman and child of the Keewatin and Baffin regions.
- Northerners pay a premium for transportation: costs, which are related to distance, are taxed at the same rate as those in southern Canada, where there are more economical transportation options and where distances generally are shorter. The GST will have a greater impact in the Arctic.
- Governments should stop “throwing money” at problems in the Arctic. They should instead invest in opportunities for the growth of a more productive Northern society.
- Extending the highway from Thompson to Churchill would greatly reduce transportation costs and favour economic growth. It would give young people a sense of hope for the future.
- Air transportation provides critical Northern access to health care and education services located only in the South (Churchill and Winnipeg).

THEMES AND HIGHLIGHTS
Whitehorse, Yukon Territory
Wednesday, August 29, 1990

- The North has a low population base, spread out over vast distances, which increases the difficulty in transporting goods and people.
- Residents feel that airline transportation costs are too high when compared to rates for similar distances travelled in the South.
- The North is very dependent on transportation, yet has the least amount of transportation infrastructure.
- The Alaska Highway needs to be upgraded and maintained in many stretches. Because of climatic conditions, this will be expensive when compared to the cost for upgrading a southern highway.
- Several intervenors suggested that transportation in the North should be subsidized and regulated, but at the same time this should be done in conjunction with providing an environment conducive to competition.
- Many Northerners feel that the federal government does not listen to their concerns. This increases their feeling of isolation. Many intervenors felt the federal government should invest money and resources to develop Northern transportation infrastructure just as had been done in Southern Canada 100 years ago to encourage economic

development and eventual self-sufficiency. Intervenors pointed out that building new roads and upgrading others creates jobs, provides tourism and other economic benefits, and is in the best long-term interests of Canada as a nation.

- Local decisions should be made by local people. Many intervenors felt that Northerners should be given the responsibility for Northern transportation decisions and be held accountable for those decisions.

THEMES AND HIGHLIGHTS

St. John's, Newfoundland

Wednesday, September 5, 1990

- There is a need for better coordination and cooperation among various levels of government in transportation-related matters.
- The federal government's role in Newfoundland transportation has eroded in recent years.
- The federal Crown corporation, Marine Atlantic, should offer year-round ferry service between Argentia and North Sydney. Newfoundlanders see the ferry as a continuation of the Trans-Canada Highway.
- Under the terms of Newfoundland's joining Confederation, the federal government is obligated to provide transportation services.
- Newfoundland's geography and population make transportation difficult — yet transportation links help overcome a sense of isolation experienced in many smaller communities.
- The so-called roads-for-rail agreement was criticized. The funds provided are said to be "not really new dollars" and inadequate compensation for loss of the railway.
- A conservation group said that assumptions about highway construction standards and the continued encouragement of automobile use deserve to be challenged.

THEMES AND HIGHLIGHTS

Goose Bay, Labrador

Thursday, September 6, 1990

- Air service in and out of Goose Bay has improved in the last few years and is generally considered good. The greatest drawback to air travel is cost.
- Essential marine service should not be decreased at the expense of improving the quality of the coastal air strips.
- Labrador is the only regional jurisdiction in the country (Yukon and Northwest Territories included) which does not have a road link into the southern urban Canadian network. The Trans-Labrador Highway (Freedom Highway) should be made a priority by both federal and provincial governments. This highway would link Goose Bay to the rural coastal communities in the East. The Trans-Labrador should be maintained at Trans-Canada Highway standards.
- Marine transportation services in coastal Labrador should be improved to better serve the needs of local people and increase opportunities for tourists to travel.
- User-pay is not realistic in Labrador.
- National transportation infrastructure is the responsibility of the national government. As one intervenor stated: "The Alaska Highway was the catalyst for the development of the Northwest Territories and the Yukon, and the Labrador Highway will do the same for Labrador."
- A snowmobile road costing \$1.2 million would return \$1.3 million in economic benefits to the region and would be the best choice if only one project could be undertaken.

THEMES AND HIGHLIGHTS

Charlottetown, Prince Edward Island

Friday, September 7, 1990

- The fixed-link question must be dealt with. A decision to proceed or not, in light of the July environmental decision with regard to the link, must be made as soon as possible.
- P.E.I. highways are in serious need of upgrading. This will be expensive (up to \$300 million).
- The ferry system requires new, modern ferries. The ferry service is a constitutional obligation to the Province, agreed to by the federal government at Confederation.
- Travellers with disabilities too often encounter personnel who are unaware of the proper procedures, and this can create unnecessary delays and hardships.
- There is concern about labour-management relations in the ferry industry. These relations affect both tourism and the economy, as people will not come to P.E.I. if they think there may be a ferry strike.
- Airline passenger rates are too high. Other than the complaint about rates, there is general satisfaction with airline service.
- In order to go anywhere by air, people from P.E.I. have to go to Halifax, because the airline's "hub" is there. It is frustrating, costly and time-consuming to be forced to travel east when you want to go west.

THEMES AND HIGHLIGHTS

Sydney, Nova Scotia

Tuesday, September 11, 1990

- VIA Rail passenger train service should be reinstated in Cape Breton. Service was cut when ridership was increasing. Cape Bretoners see the train as an essential service. Without it there is a sense of isolation.
- Cape Breton has a declining economy and withdrawal of transportation service does nothing to help.
- Transportation should be reasonably accessible to all, especially the financially and physically disadvantaged.
- Transportation services (especially VIA Rail) are important for medical reasons. Large numbers of people who are sick in Cape Breton end up in hospital in Halifax. Relatives cannot afford to visit them because of the loss of VIA service. Many cannot afford to drive to Halifax. Intercity bus service to Halifax is expensive (bus rates have increased dramatically since the VIA cuts).
- There is concern that CN may close the Truro-Sydney freight rail route, since the absence of passenger rail reduces the financial feasibility of freight.
- Ridership on highways is increasing because of VIA cuts. Roads are being run down — there is no money to fix them because of the state of the economy.
- The absence of passenger rail in Cape Breton and the complete absence of rail in Newfoundland is a gap in the transcontinental network.

THEMES AND HIGHLIGHTS

Fredericton, New Brunswick

Wednesday, September 12, 1990

Thursday, September 13, 1990

- An efficient transportation infrastructure is essential to the economic development of New Brunswick. The regional disparity that currently characterizes Atlantic Canada will not be alleviated until improvements are made to all modes of transportation.
- While a national transportation policy is necessary, it needs to be balanced against the needs of the regions. A national policy should lead to better coordination between modes and between carriers in all provinces.
- The current state of the Trans-Canada Highway is critical. The upgrading of the New Brunswick section to a four-lane highway should be undertaken as soon as possible.
- All aspects of freight transportation must also be considered in establishing a passenger transportation policy. In particular, the Commission must look at how the increase in freight transportation on the highways has led to a rapid deterioration of the roads in the province, as well as to unsafe highways.
- Federal government involvement in financing both the Trans-Canada Highway and VIA Rail is necessary and is considered a responsibility that the federal government cannot shun.

- We need to re-establish a better balance between the need for unlimited mobility and the need for a clean environment.
- Rail transportation provides a better alternative to road transportation for many groups, including students, the disabled, tourists and the elderly, not to mention that it is a much better mode from an environmental point of view.

THEMES AND HIGHLIGHTS

Halifax, Nova Scotia

Thursday, September 13, 1990

Friday, September 14, 1990

- With respect to a transportation infrastructure, Atlantic Canada should consider itself, and be considered, as a homogenous economic region rather than be limited by political boundaries.
- Automobile transportation will continue to be the dominant mode of passenger transportation in Canada well into the 21st century. A national highway system is therefore in the country's interest. The federal government has a funding responsibility with regard to such a system.
- A national approach to a transportation policy is not necessarily the best approach. In order to service all regions of the country efficiently, one must look at the needs of each region. What works in national transportation markets might fail in more isolated areas.
- The tourism industry in Nova Scotia could benefit substantially from the development of the transportation infrastructure. The rail system must be reinstated and a marketing strategy to promote it both in Canada and in foreign markets must be elaborated.
- Reduced passenger rail service could result in a deterioration in the level of infrastructure maintenance that is needed for freight transportation.

- Halifax International Airport should be converted into an international hub. It is already considered to be the regional hub. This recommendation means that Canada's air service should be re-thought completely, with the objective of maximizing flight connection possibilities.
- The outdated Canada-U.S. bilateral air agreement is a detriment to the Atlantic Region.

THEMES AND HIGHLIGHTS

Winnipeg, Manitoba

Monday, September 24, 1990

- All transportation modes are subsidized and each mode thinks other modes get more than they do. We need to see the transparency. We need to know the facts.
- VIA Rail passenger service should be restored to pre-cutback levels and the rolling stock must be upgraded to improve comfort and dependability.
- Recent events have shown us that we are overly dependent on fossil fuel supplies. The fact that the environmental impact of rail transportation is much lower than for cars or aircraft must be taken into account.
- Steps must be taken to encourage people to give up their cars.
- Highways leading to the United States should be considered part of the national highway system.
- Northern and rural Manitobans feel that they are being constrained by their dependence on Winnipeg as the only provincial transportation hub.
- The federal "Freedom to Move" policy recognized that transportation is a key to economic development. The new law has resulted in fewer transportation options for cities such as Brandon. The system doesn't work like it was supposed to.
- Northern Manitoba wants to promote the development of a mid-Canada transportation corridor.

THEMES AND HIGHLIGHTS

Regina, Saskatchewan

Tuesday, September 25, 1990

- Fast and direct transportation links, especially air transportation, are vital to the continued economic health and development of Saskatchewan.
- "The Canadian," VIA Rail's southern rail passenger route, should be restored to service. The "Supercontinental" running over the Northern line should return to daily service.
- The Trans-Canada Highway should be upgraded to four lanes and the federal government must help pay for this.
- We cannot accuse one mode of being over-subsidized compared to another mode until we have found and taken into account both obvious and hidden subsidies.
- There is nothing wrong with subsidizing transportation; it is a normal part of governing and promoting development.
- The value of a transportation mode should be judged against its value to society, not just profits and losses.
- Regulation has a place in the transportation system; we can't just leave everything up to market forces.
- There is a widespread feeling that the new VIA Rail network has been designed to fail.
- There must be more coordination between transportation modes.

THEMES AND HIGHLIGHTS

Saskatoon, Saskatchewan

Wednesday, September 26, 1990

- Transportation is a national responsibility and it is essential that transcontinental rail service be restored to former levels, along with the restoration of regional intercity lines.
- Saskatchewan has a significantly higher proportion of elderly Canadians in comparison to other provinces. This trend will continue. Therefore, it is imperative that the needs of the elderly and mobility-impaired persons be considered in developing an integrated transportation infrastructure.
- Cross-subsidization could aid development of public transportation in Saskatchewan. It is important to note that rural services cannot exist without the support of larger urban centres. This is of a national interest because a rural transportation infrastructure moves Saskatchewan wheat to other parts of the country.
- The time has come to discourage use of the automobile in order to decrease our reliance on fossil fuels and to encourage the use of alternative fuels.
- Saskatchewan has limited air transport options and must have better access to national and international service. There should also be an increase in service to Northern communities.
- Cumberland House is the oldest community in Saskatchewan, but has virtually no public transport other than limited air service. Construction of a bridge to the island is essential for Cumberland House to provide basic service to its inhabitants. Moreover, lack of a ground link constitutes a significant danger to Cumberland House residents during the winter months.

THEMES AND HIGHLIGHTS

Windsor, Ontario

Wednesday, October 3, 1990

- We need a national strategy on transportation involving all three levels of government. To date they have failed to form a partnership and coordinate transportation development.
- As the Gateway to Canada, the Windsor area has tremendous growth potential but suffers from lack of integration of the various modes of transportation.
- Congestion and delays at U.S. border crossings, particularly on bridges, is also very detrimental. The main cause is not infrastructure capacity but insufficient customs and immigration personnel.
- VIA Rail service should be restored and improved. It would yield benefits in terms of relief of highway congestion, improved safety, and improved quality of the environment. Rail passenger service is essential to students, the disabled, and the financially disadvantaged.
- High-speed rail should be introduced in the Quebec-Windsor corridor and even extended southwest across the border.
- Congestion at Pearson International, and the lack of direct air connections to the United States, are seriously hampering Windsor's tourism industry and economic well-being.
- Transportation should be subsidized but hidden subsidies for all modes should be made known and taken into account when spending taxpayers' money.
- New ways of making decisions should be found so that local people can be responsible and accountable for how transportation dollars are spent in their area.

THEMES & HIGHLIGHTS

Sudbury, Ontario

Thursday, October 4, 1990

- Unless transportation is offered on an equitable basis in all regions of the country, we will be fostering an environment of "haves and have nots."
- There is a need for good transportation in the North because the rest of Canada depends on its resources. "There is no reason why we should feel like a poor relative."
- Transportation should not be just a question of profit. Rail was laid at public expense to link east and west, not to make a profit. Similarly, the provision of better transportation in Northern Canada should be subsidized through general revenues. It is a matter of equity and accessibility.
- Transportation is essential in the North because of the distances, weather, and resource-based nature of the economy.
- VIA Rail service should be restored and improved.
- The Transcontinental does not adequately serve local communities — we need daily trains geared to short runs.
- There is a need to find some way to coordinate and integrate federal, provincial and municipal planning. The needs of the North do not necessarily apply to the South. In the South, congestion is a problem. The North faces the opposite circumstance.

THEMES AND HIGHLIGHTS

Thunder Bay, Ontario

Friday, October 5, 1990

- Transportation should be viewed as a crucial tool in nation-building. As such, it can and must play an important role in shaping our economy and securing unity and sovereignty.
- The federal government must assume a leadership role in establishing environmental standards in the transportation industry. Despite the split in jurisdictions, all levels of government have a responsibility in applying these standards.
- The federal government should establish a national reservation system and a Canadian Terminals Agency, with intermodal passenger stations serving bus, rail, urban transit, and airport transfer.
- Our country's large expanse can only be overcome by a large public investment in infrastructure. As well, public ownership may, in some cases, be the only way to serve the real needs of Canadians.
- The practical limitations in Canada's transportation infrastructure are of concern. The Trans-Canada Highway through Northwestern Ontario, for instance, is of poor quality and needs to be twinned to ensure better service. It is presently the only east-west road through the region, with no other possible alternative.
- Safety on the Trans-Canada Highway is a major concern, particularly in view of the increased truck traffic carrying freight on the highway to other parts of the country.
- Accessibility to public transportation for the disabled needs to be improved. In particular, access in airports to smaller aircraft must be made more dignified.

THEMES AND HIGHLIGHTS

Quebec City, Quebec

Monday, October 15, 1990

- The various governments have a tendency to look at transportation expenditures as an expense, but they should rather look at it as an investment.
- The government must look at an effective, reliable, safe and rapid rail link between Quebec City and Windsor in order to replace the air service. This intercity system should be connected to an effective urban transit system, thus providing a real alternative to the car.
- The road system needs to be upgraded and the trucking industry should be effectively regulated in order to reduce the strain on the system.
- A high-speed rail project should be developed in a coordinated fashion with all parties, including the federal government and the private sector, fully involved.
- The responsibility for rail and road transportation should be at the provincial level, since the abandonment of rail service by the federal government has a direct impact on the use of the road system, a provincial responsibility.
- With respect to the cruise ship industry, there should be an impact analysis of the cost-recovery program of the Coast Guard and, if possible, some changes made to the customs regulations in order to make this industry more competitive.

- It is time for the nation to choose among the various means of transportation. Resources must be transferred from the roads to the railways.
- A comprehensive passenger transportation strategy cannot be developed without taking into account the individual characteristics of the region.

THEMES AND HIGHLIGHTS

Rimouski, Quebec

Tuesday, October 16, 1990

- The costs associated with traffic accidents and the money spent on repairing and maintaining roads is greater than the cost of building a highway.
- Eastern Quebec needs a safe and accessible road system to help promote development.
- The cost of air travel is considered prohibitive and the airplane, although accessible, is only an option for those with the financial means to buy a ticket.
- The subsidies provided to the various modes of transportation are not equal. Each mode of transportation should receive the same treatment.
- Governments should establish and finance basic transportation infrastructure.
- Buses are a highly satisfactory form of travel for the elderly, but the VIA Rail cuts have dramatically affected this group.
- Senior levels of government must provide leadership. They must become involved in the development of an adequate transportation system, particularly in remote regions, where there is an urgent need.

THEMES AND HIGHLIGHTS

Chicoutimi, Quebec

Wednesday, October 17, 1990

- Rail should remain a government responsibility so that market forces don't marginalize peripheral regions. The road infrastructure is inadequate for the volume of traffic it carries. This has dramatic effects on safety.
- Users in the Saguenay/Lac Saint-Jean region pay as much to fly between Chicoutimi and Quebec City as they do to fly to London or Paris from Quebec City.
- Giving market forces free play in the area of transportation means leaving remote regions out in the cold.
- We must consider alternatives to fossil fuel and promote saving energy.
- The piecemeal improvements proposed by governments until now are not enough. Route 175 requires a major overhaul; it should be replaced by a divided, four-lane highway.
- The trucking industry should be more closely monitored by governments to reduce the risk of accidents and damage to the road network.
- Using tollbooths to finance the improvements to Route 175 has the advantage of directly linking the amount spent by users to the quality of the road.

THEMES AND HIGHLIGHTS

Montreal, Quebec

Wednesday, October 24, 1990

Thursday, October 25, 1990

- In the case of rail travel, the problem of transporting goods must be considered when dealing with the problems of transporting passengers.
- It is the price, not the quality, of passenger airline service in Abitibi-Témiscaming that is a problem.
- Economic interests are not the only consideration when discussing transportation in the regions; the quality of life for individuals who live far from major centres must also be considered.
- Governments must establish national standards for passenger transportation for all remote regions.
- Adapting means of transportation for physically disabled persons is a matter of economics, not sympathy.
- We do not close schools when they have a deficit; the same should be true of trains.
- The Rockies Trans-Continental is not providing transportation; it is providing sightseeing.

- Carbon dioxide emissions are a serious problem affecting all parts of our planet, and can only be solved by all the planet's inhabitants. The biosphere recognizes no division into blocks, alliances, or systems. All share the same climate system and no one is in a position to build his own isolated and independent line of environmental defence.
- A traveller's choice of a mode of transportation should not be influenced by policies favouring one mode of public transportation over the others. This principle is clearly set out in the *National Transportation Act, 1987* and must be reinforced so that subsidies are no longer handed out unthinkingly to one mode of transportation at the expense of another.

THEMES AND HIGHLIGHTS

Sherbrooke, Quebec

Friday, October 26, 1990

- We must reduce our dependence on the automobile. Governments must introduce incentives to encourage travellers to use public transportation.
- Governments must implement a program of technological innovations to improve the performance of various modes of transportation.
- For a number of years now, railway companies have been abandoning vast stretches of track. It is vital that the federal government acquire these abandoned lines and establish a rail-line bank.
- Abandoned rail lines need to remain public property. They may again be useful as transport corridors in the 21st century. In the meantime, they should be converted into linear parks accessible to the public.
- The right to be able to move outside one's home is a basic human right. Disabled individuals are entitled to the same transportation services as everyone else.
- The federal and provincial governments must subsidize the various modes of transportation to ensure that the disabled can travel.
- Because disabled people have a low average income, they depend heavily on public transportation. When it is unavailable, their mobility is very limited.

THEMES AND HIGHLIGHTS

Calgary, Alberta

Wednesday, October 31, 1990

- The future of the transportation system should rest on the principle of intermodalism.
- Passengers should have the opportunity to use a variety of modes when travelling between destinations, and should have the ability to change modes at will.
- Transcontinental rail service is not feasible to maintain. It is better that the regions are served by a number of rationally planned point-to-point rail services.
- There seems to be a fairly even distribution of opinions as to whether a high-speed-rail system is economically feasible in the Calgary-Edmonton corridor.
- An open-skies treaty between Canada and the United States will benefit tourism in Western Canada.
- Canada's transportation industry has a duty to help sell Canada as a tourist destination.
- Travel by Canadians within the country should be encouraged, possibly through the development of a tax-free travel savings plan.
- Local authorities must have more say in the planning and development of the transportation system.
- The federal government should become involved in planning and funding the linkages between urban transit systems and intercity transportation modes.

THEMES AND HIGHLIGHTS

Edmonton, Alberta

Thursday, November 1, 1990

- Canada has outgrown its current vision of transportation. Regulation, nation-building projects and public ownership are ideas that have been superseded.
- The country must begin realizing that transportation is something that affects our international trading competitiveness, and our ability to communicate with the rest of the world.
- Government must adopt an integrated view of the transportation system. This should include such ideas as interlining, baggage transfers between modes and an integrated multimodal computer reservation service.
- The transportation decision making process should be devolved to regional and local authorities. Individual citizens should have a greater involvement in helping set those priorities.
- Steps should be taken to develop a high-speed rail link between Edmonton and Calgary.
- The government should consider nationalizing the rail beds and operating them as a national utility.
- Government should try to remove operating subsidies whenever possible.
- The federal government should become more involved in the planning and financing of the national highway system.

THEMES AND HIGHLIGHTS

Grande Prairie, Alberta

Friday, November 2, 1990

- Transportation is key to the development of the Peace River region. All three modes have a place in the transportation system, but of the three, roads are the most important.
- Governments should provide the transportation infrastructure, but its operation should be left to the private sector.
- Grande Prairie is the major transportation hub for the Peace River area, and is also a spoke feeding into the Edmonton hub.
- Compared to Edmonton, it costs 18% to 25% more to move goods and passengers in the Grande Prairie area.
- The Alaska Highway is a key element of the local economy.
- The Peace River area and the Alaska Highway corridor have significant tourism potential.
- Many local residents feel that Northern communities are subsidizing transportation between the major centres.
- Transportation rules and regulations must be flexible enough to respond to local needs.

THEMES AND HIGHLIGHTS

Toronto, Ontario

Tuesday, November 13, 1990

Wednesday, November 14, 1990

- There is a need for integrated planning by all levels of government, industry and users, in order to develop a comprehensive national transportation system.
- High-speed rail in the Quebec-Toronto-Windsor corridor is a viable option. However, further study is required to determine whether or not a high-speed rail system necessitates a dedicated line or if it can function on existing freight roadbeds.
- The federal government must put a program in place to address the inequities of modal subsidies, especially with respect to subsidization of the trucking industry. In addition, there is a need to raise public awareness regarding accurate distribution of subsidies to each mode.
- Passenger and freight transportation are interrelated; therefore, one cannot look at one without considering the other.
- Disabled persons have a fundamental right of access to all transportation services.
- The size of Canada's two major airlines would make Canada a small player in an increasingly global aviation industry. Therefore, the Canadian government must be very careful when entering into an "open skies" policy.

- Canada's transportation sector should operate under a concept of a competitive marketplace, with the exception of transportation services to remote areas of the country. Subsidies to all modes should be eliminated.
- Government policy has had a negative effect on the national rail network. Subsidies to other modes have distorted competition for transportation services and have lured customers away from rail to ground and air transport.

THEMES AND HIGHLIGHTS

Ottawa, Ontario

Thursday, November 15, 1990

Friday, November 16, 1990

- It was suggested that there may be grounds to revise the 25% limit on foreign ownership of airlines to meet the requirements of competition in the airline industry.
- Several intervenors were in favour of user-fees. It was suggested that a transportation trust fund for highway maintenance be established. Private capital could be used to speed up the modernization of airports.
- Intervenors were generally supportive of the high-speed rail concept. The infrastructure and network should be provided by the federal government. The private sector would assume operating responsibility.
- Certain intervenors suggested that in rural and remote areas, transportation subsidies are required to ensure adequate levels of service.
- Most intervenors, at some point in their presentation, mentioned the need to consider environmental implications of transportation policy.
- Concern was expressed over the infrastructure upgrading and maintenance at Canadian airports. While there was support for the privatization of some parts of Canadian airports, many intervenors felt the government still had a regulatory and safety role to play.

- Canadian “air control” technology is lagging behind other Western countries. The Canadian aerospace industry requires funding to ensure it keeps up with its foreign competitors. A public utility or Crown corporation was suggested to own and manage the air system.
- Many intervenors were in favour of a high-speed train system. VIA Rail should be involved in the operation of any high-speed train system in Canada.
- The disabled have a “right” to public transportation services already available to non-disabled Canadians.
- An integrated multimodal transportation system connecting all types of transportation (airplanes, trains, buses, cars) was a general theme expressed by several intervenors.

THEMES AND HIGHLIGHTS

Victoria, British Columbia

Wednesday, December 5, 1990

- Victoria is uniquely situated on an island and therefore, it is dependent on air and sea travel.
- Ferries are an efficient and affordable form of transport. There is, however, a need for integration of ferry services with other modes of transport.
- Light rapid transit is needed in both Victoria and Vancouver in order to eliminate the reliance on the automobile and to preserve land.
- Tourism is an extremely important element of the Vancouver Island economy. The Island tourism industry is dependent on the transportation services offered. Moreover, rail and ferry travel are tourist attractions in their own right.
- Deregulation of the various modes must be done within the context of a "made in Canada" policy framework which takes into account the needs of the Canadian public and Canadian-owned/operated carriers.
- There is a strong three-way relationship between the transportation system, the energy system and the ecosystem.
- Canadian and U.S. government policies are posing threats to the continued growth of the ferry system between the State of Washington and Vancouver Island.
- The road mode is increasing in importance in B.C., but road quality is not keeping pace.

THEMES AND HIGHLIGHTS

Vancouver, British Columbia

Thursday, December 6, 1990

- The time has come to reduce Canadians' reliance on the automobile as a primary source of intercity travel. There are many methods that will produce this result. However, a carbon tax with some built-in mechanisms to reduce its regressive nature would be the fairest approach.
- Currently, there are many fuels being looked at as alternatives to carbon-based fuels, and it is evident that the country that develops a reliable alternative fuel will incur significant financial benefits and will be at the forefront of a developing technology with significant industrial benefits.
- Rail transportation is still a viable alternative to the other modes. However, passenger railways must be able to compete on a level playing field with the other modes and must have the power to develop business and marketing plans without the interference of the federal government.
- Access to transportation for physically disabled persons is a right and not a privilege to be granted by governments or the various carriers.
- A major problem in Canada is reconciling the natural north-south pull with a transportation system that runs east-west.

- There is a definite need to integrate modes to enhance the quality of service offered by the various ferries operating within the province.
- User-fees should be increased to cover the infrastructure and environmental costs associated with various modes of transportation.
- The true cost to the system of each mode of transport should be outlined in detail. This will help define the “level playing field” that nearly all the carriers from various modes say is necessary if they are to compete effectively.

THEMES AND HIGHLIGHTS

Prince George, British Columbia

Friday, December 7, 1990

- Prince George is the most important transportation hub in the British Columbia interior.
- Because of the physical distance between centres in the British Columbia interior, transportation touches every aspect of local life.
- Highways are the most important mode of local transportation. There was strong local support for the British Columbia government's recent decision to designate the Yellowhead Highway as the second Trans-Canada Highway.
- There is a strong local feeling that VIA Rail's Skeena line could be developed into an important tourist attraction.
- Most flights between British Columbia centres are routed through Vancouver. This means that a passenger must fly more than 1,300 kilometres to travel between Prince George and Prince Rupert, even though those cities are less than 500 kilometres apart.
- Many local residents feel that the cost of flying to interior communities is too high. Opinions were fairly evenly divided as to whether this problem could be solved through regulation or through deregulation.

- There is strong regional support for the addition of a new runway at Vancouver International Airport.
- Several intervenors suggested that there should be a greater degree of local input into how federal transport regulations are applied in the various regions.
- In resource-rich areas, such as Prince George, the transportation system acts as an important economic generator. It was suggested that additional road, rail and water links would open new areas of British Columbia to economic development.

CHAPTER VI

A TIME OF TRANSITION

You face the task of trying to reconcile two apparently incompatible goals that have always existed in formulating transportation policy in Canada.

One is to have the transport system operate to promote regional, social and political ends, and the other is to have an economically efficient and viable system. Establishing policy for transportation in a country such as Canada is a tremendous challenge.

**M. Melville, President
Western Transportation Advisory Council (WESTAC), Vancouver
Vancouver hearing**

In the last five chapters we have explored many aspects of Canada's passenger transportation system: the present set of laws, regulations and institutions; how the system is used and financed; trends that may affect passenger transportation in the future; and what Canadians are saying about how the passenger transportation system functions. In this chapter we examine what we have learned, comment on the concerns we have at this stage in our work, and set forth some key factors to be addressed in developing a framework for the future.

HERE AND NOW: CURRENT PRESSURE POINTS AND GAPS

The Royal Commission's mandate is to make recommendations relating to a national passenger transportation system for the 21st century. This we intend to do in our final report. During our dozens of meetings with governments, labour,

industry and consumers, a broad range of more immediate concerns came forward. Many of these people asked, and sometimes demanded, both privately and publicly, that the Royal Commission make its views known on these matters.

This is not an unreasonable expectation. Although we have been asked to look down the road, events, such as discussions on open skies and federal government proposals to institute new cost-recovery measures for passenger transportation services, have lent weight to the claim that we should have something to say about the short run. In addition, this Royal Commission was created at the same time that cuts were made to the VIA Rail passenger system.

We do not intend to second-guess current public policy decisions, but we do recognize that our silence would not enrich the quality of debate over the future of the passenger transportation system. We appreciate that decisions cannot be held in abeyance until this Royal Commission presents its final report. However, much of what may be decided in the next few months and years will affect Canada's options well into the 21st century. Infrastructure and capital investments made or not made today will influence the shape and use of the transportation system for the next 20 to 30 years.

For these reasons we wish to comment on some aspects of the passenger transportation system in Canada that are of concern to Canadians and seem to us to merit special mention now. We hope that these comments and issues will spark a debate among all those who have a stake — whether as travellers, transporters, or taxpayers — in the future of the passenger transportation system.

RAIL ISSUES

Conventional Rail

By far the dominant theme dealt with in the briefs and hearings concerned the VIA Rail cuts of 1990 and the future of rail passenger service in Canada. Some issues were raised involving the broader transportation framework, while others dealt more directly with the adequacy of current levels of rail service. Many Canadians also raised serious questions about the lack of consultation with affected communities, and about the rationale behind some of the decisions made regarding which routes to cut (for example, whether it would have been more cost-effective to keep the more scenic southern route through the Rockies, instead of the northern one).

The following are some of the important specific issues that were raised:

- Is a transcontinental service economically viable? If not, is it of such importance to Canadians as a national symbol that it should be maintained at taxpayers' expense? If the service were subsidized, would it create unfair competition for current or potential operators of private tourist trains?
- Is reducing daily service to tri-weekly service a false economy when tour operators cannot make consistent bookings, thus depriving the economy of important tourist dollars?
- Is it penny-wise and pound-foolish to refurbish old equipment instead of buying new double-decker cars?

- Is there sufficient demand for improved regional intercity service between Halifax and Sydney, among communities on the north shore of Lake Superior, the north shore route between Quebec City and Montreal, or along the southern route across the prairies?

High-Speed Rail

High-speed rail service is now a proven technology that has been exploited with great success in many countries — notably Japan and France — and is under construction in other countries. Under certain conditions, it has been commercially viable. There seems to be little doubt that high-speed rail is reliable, safe, comfortable and fast (on runs of up to 500 kilometres, it competes with air). High-speed rail might also help to reduce congestion problems (at Pearson International Airport in Toronto or on Highway 401 in Ontario, for example). This has been the experience in France, where the Train à Grande Vitesse (TGV), a high-speed train that connects Paris and Lyon, has reduced congestion.

In this country, which until the 1960s had always been in the forefront of railway technology, there is interest in assessing the prospects for high-speed rail in high-density corridors, namely Quebec City-Windsor and Edmonton-Calgary. Its performance under Canadian climatic conditions has yet to be tested for all the proposed alternatives.

The private sector and VIA Rail have carried out many studies on high-speed rail in Canada in recent years. The provinces of Ontario and Quebec have set up the Rapid Train Task Force (Carman-Bujold) to undertake a more formal review. Some of the interested parties have suggested further feasibility studies and a few of those who appeared before us (Asea Brown Boveri, Bombardier and VIA Rail) have requested that the Commission take a stand on this issue in our interim

report, in view of the time-sensitive aspects of ensuring export opportunities, the huge investments and the long lead times involved.

In Canada, the major unanswered question about high-speed rail is its economic viability, given the population density in Canada's corridors and the up-front investments that are involved. There are some 14 million Canadians who would have reasonably convenient access to a high-speed rail system in the Quebec City-Windsor corridor, or 10,000 people per kilometre in that corridor (or 13,500 between Montreal and Toronto). This compares with 5,000 per kilometre in the Edmonton-Calgary corridor, 25,000 per kilometre in the Paris-Lyon corridor, and 60,000 per kilometre in the Osaka-Tokyo corridor.¹

From the point of view of an integrated transportation system, it is important that further studies give due account to spill-over benefits such as relief of congestion and reduction of accidents. Since there are joint costs and benefits in an integrated system, it is also important to assign each mode its correct costs. For example, some of the cost of building rail underpasses and overpasses should be assigned to highways, since highway users also benefit from the availability of this infrastructure, and since joint costs of intersections can be assigned to a single mode only if the other mode sharing the intersections has been given "right-of-way."

Many other questions, such as choice of routes, accessibility, noise pollution, land use, and nuisance problems to the en-route communities should weigh heavily in the final decision.

¹ This type of simple comparison provides only a rough indication of relative viability. The population/kilometre density is only one factor influencing potential demand for high-speed rail travel; others include the number of business and social links among the cities served, and the attractiveness of competing means of transportation, particularly the automobile.

Our Comments

While we have heard the arguments presented by both the proponents and the opponents of rail passenger travel, these arguments leave some important questions unanswered. In our work over the next year we will try to come to grips with these issues and we would welcome public input on them. The specific questions relating to both conventional and high-speed rail can best be addressed by providing answers to a broader set of questions:

- Are the decisions consistent with overall transportation policy? For example, is a transcontinental service economically viable? If not, is it of such importance to Canadians as a national symbol that it should be maintained at taxpayers' expense?
- Who should be responsible for regional services? Which level of government should have the jurisdiction to decide which services are required? Which level of government should regulate the service?
- Who benefits and who should pay? Should market forces alone determine whether a service is provided? Should the federal taxpayer share in the cost of regional services, or should the financial burden be carried by regional taxpayers and the people who use the service?
- What are the effects on other modes?

Disposition of Rights-of-Way

Another issue in the area of decision making that we feel compelled to comment on at this time is rail line abandonment. Under the *National Transportation Act, 1987*, the National Transportation Agency has the authority to allow

the abandonment of rail lines at the request of railway companies. Abandonment must be granted for freight rail lines that are no longer economic to run and maintain, and have no prospect of becoming economic.

Currently, decisions on abandonments of rail lines are taken on the basis of whether or not the line is economic. In almost all cases, the economic evaluation is considered from the perspective of moving freight. The use of lines for passenger rail service, or the impact on the road network, have not normally been considerations. However, once a rail line is abandoned, the right-of-way can be lost if the land is sold. This loss is likely to be permanent, and the opportunity to use the right-of-way for future passenger service will be gone. Different groups have different views about how these abandonments should be decided upon and controlled. We do not want to be short-sighted and lose an irreplaceable corridor for future use.

Our Comments

Since we believe that important rail rights-of-way may be abandoned during the life of this Commission, and the land, if sold, lost for future use, we do not want to wait until our 1992 final report to comment. We urge the federal government to review its policy on rail line abandonment, and on the disposition of rights-of-way, as soon as possible, so that the irrevocable loss of rights-of-way for future passenger service can be averted.

HIGHWAY ISSUES

Cars are by far the preferred mode of intercity transportation in Canada. Many Canadians see their cars as providing personal freedom. The Baby Boom Generation is reaching middle age — the age group that travels most. Baby Boomers

may drive later into their senior years, thereby increasing the demand for more and improved highways. A further demand on governments to maintain current highways and to build new ones comes from commercial truckers (whose service levels and cost structure have allowed them to compete effectively with the railways).

Many Canadians spoke to us about the state of Canada's highways. While the establishment of a national highway system is being discussed by federal and provincial Ministers of Transport, and there is agreement concerning which highways the national network should contain, there is no agreement on who should pay for them.

One particularly contentious issue is the question of whether truckers pay their way on the highways. In our hearings, Canadians voiced a wide range of views on this matter, from people who believed truckers pay for the damage they cause, to those who felt truckers should be charged much more for their use of the highways. While studies in other countries show that heavy vehicles create a disproportionate amount of damage to highway systems, there is not, as yet, a comprehensive measurement of axle-weight damages in Canada. Road charges based on damage done could be necessary to level the playing field between highways and railways as alternatives for moving freight. Such road charges could lead to more truck trailers being carried by the railways for at least part of the distance, thus reducing the demand for highways.

We also heard a great many concerns about the effects of cars on the environment in all parts of the country. Although today's cars are designed to be more fuel-efficient and to have lower emissions than in the past, they continue to pollute. Furthermore, an increase in the total number of cars and trucks on the roads, and the distance driven, means a corresponding increase in pollution.

Canadian cities have been altered in many ways by the building of roads and parking lots, which have removed or changed familiar surroundings. Canadians are also distressed by traffic congestion in urban areas. Many believe that technological changes that could lessen traffic congestion and reduce environmental damage are being implemented too slowly. People question whether Canada's overall response in this area has been adequate.

While many people have expressed concern over the environment, they also want more and better roads on which to drive their cars. As one Canadian pointed out: "It is one thing to be concerned about the environment, it is quite another thing to take the bus."

Our Comments

Highways are an area where greater cooperation among governments may well be desirable. It is also clear that freight and passenger travel are interrelated. To design a framework for a future passenger transportation system, we must take into account the movement of freight (as well as passengers) on the highways, railways, airways and waterways. As well, the interaction of the car, public health and public values, including environmental concerns, needs more careful consideration.

Over the next year, we will be debating these issues and, again, would welcome public input. Some of the other broad questions that need to be addressed include:

- How, and to what extent can Canada afford to meet demands for new highways, given the already high cost of maintaining and rebuilding existing highways?
- Are the provincial charges to truckers so low that freight is being diverted from rail to road?

- Would increased federal financial assistance for highways simply result, in the final analysis, in more traffic congestion and more pollution?

AIR ISSUES

Hubs and Spokes

Increased competition as a result of air deregulation has created misgivings among many Canadians. Although economic regulatory reform has generally led to lower fares and more-frequent flights, some communities have had their jet air service replaced by turboprop service. While the frequency of service has increased, some perceive that the status of these communities has decreased.

The hub-and-spoke system causes frustration for many Canadians. Even though this system has introduced more flights, it sometimes results in routings that increase the amount of time that a traveller must take to get from departure to destination.

Open Skies

Some Canadians say they want a domestic air carrier industry that is predominantly owned, managed and operated by Canadians. This expectation may clash with another goal: to get the best air service at the lowest cost. Such service might be promoted by introducing foreign air carriers into the Canadian market to increase competition.

Currently approved routes linking Canadian and U.S. cities reflect decisions made during an era of strict economic regulation of airline companies and government ownership of Air Canada. Some argue that the current U.S.-Canada bilateral agreements do not effectively serve the interests of

consumers and carriers, because they restrict air travel unduly. Others, however, fear that any major opening of air routes would threaten the continued existence of Canada's major airlines. Complicating this issue are the emerging business and government alliances in North American markets (as well as in the European Community and in Asia) that are already exerting competitive pressures on Canada's airlines.

A number of task forces and interested parties are considering scenarios that could include modifying the routes linking Canadian and U.S. cities, increasing market access and increasing rights of Canadian and U.S. airlines to carry passengers between points within the other country (cabotage). The announcement by the federal government of the opening of negotiations with the United States on a new bilateral air agreement could have an impact on routes, fares, airports, the future of Canadian airlines, and on all other activities that depend on air transportation.

This raises several important questions. Do Canadians believe that there should be two efficient, competitive and viable national carriers in Canada? Or do they really care? Are Canadians concerned about the possible loss of direct routes and services between some Canadian cities? Do Canadians want only the cheapest fare, no matter who provides the service? Should there be changes in the requirement that the airlines must be 75 percent Canadian-owned in order to give them more flexibility in making alliances with other international carriers?

Our Comments

No matter how well Canadian airlines serve their domestic market, their ultimate success or failure may depend on their ability to survive in a highly competitive international market. The two national carriers have emphasized to us the

necessity of having a level playing field with their international competitors in terms of costs and taxes, and we believe that this is an important consideration to be taken into account in the context of negotiating new international agreements.

We also trust that the federal government will take into account Canada's geographic advantage in the provision of international air services and their domestic spinoffs, as well as the resulting effects of changes in international air policy on airport capacity, pricing, management, and the competitive structure of the airline industry.

DECISION MAKING PROCESSES

In the context of transportation, while the current division of powers between the public and private sectors and among municipal, provincial and federal governments may have worked reasonably well for the past 123 years, many Canadians are not convinced that it will work for the next 30 years.

Central Versus Local

While many Canadians recognize the need for a national vision at the federal level, they also want some control and management over the things that affect them at the local level. In the course of our public hearings, we were told about national standards that, when applied to local situations, create needless hardship or expense.

We heard that for efficiency in remote parts of Canada, passengers and freight are carried on the same deck of an airplane. These airplanes are commonly known as "combis," which is short for combination freight and passenger aircraft. We were told that proposed Transport Canada regulations

for combis would dramatically increase the cost of this method of operation, or in some cases, it is claimed, prohibit the use of combi aircraft.

On the marine side, we heard about a national standard requiring installation of a locating device so that ferries in distress can be found quickly. While this requirement may be a sensible one for ferries that travel long distances between ports on our east coast, many ferries on the west coast travel in sheltered waters, where they could be located easily if they were in distress. All ferries, however, are required to incur the expense of purchasing and installing this device.

We heard, as well, that many new sophisticated medical, social and educational services tend to be offered only in a few locations. Canadians are concerned about whether decision makers consider the transportation costs faced by users from remote areas when a location for a new facility is selected. For Northerners in particular, access to many modern services requires extensive air transportation.

Private Versus Public Sector

There are many differing views about the appropriate roles of the public and private sectors in transportation: that is, who should plan, own, operate, monitor and regulate the system. Many Canadians believe that the private sector can create the competitive environment that will lead to the lowest prices and the widest range of services. Others point to the investments that governments in other countries make in high-speed rail systems and ask why similar investments are not made here.

Many Canadians, realizing that other countries are using well-developed technologies for intermodal through-ticketing, including luggage handling, are impatient with the slow application of these innovations here. They want integrated intermodal travel made easier and more attractive in Canada. They question whether competition between modes is hindering integration. For example, some operators may be reluctant to develop intermodal terminals and integrated ticket and scheduling systems because they compete for the same riders (such as bus and conventional rail services).

Our Comments

Improved decision making processes, the division of powers between levels of government, and the roles of the public and private sectors are areas that we will have to address over the next year and we would welcome public comments. Some of the broader questions that need to be addressed include:

- Is the current division of responsibility between levels of government appropriate for today's passenger transportation system?
- How can decision making be organized to provide both national standards and local involvement?
- How much reliance should be placed on the private sector to initiate large transportation infrastructure investments or investments in new services?
- On what basis should public-sector investment decisions be made? For example, if high-speed rail is a good investment for more than purely financial reasons, should governments take a leading role?

RIGHTS

In discussing equity of access to transportation, Canadians often referred to the rights of the disadvantaged, such as the poor, the disabled and those living in remote areas. Before 1986, carriers could refuse to accept unattended passengers with disabilities. In 1986, the Federal Court of Canada ruled that in air travel, a disabled traveller, not the carrier, could decide whether she or he required an attendant. In 1988, the federal government amended the *National Transportation Act, 1987* to give the National Transportation Agency the power to make regulations to reduce obstacles to the mobility of disabled people using the transportation network. In November 1990, the Agency proposed a change of regulations pertaining to aircraft with 30 seats or more such that, if disabled people travelling by air require an additional seat (either for an attendant or to accommodate a disability), they would not need to pay for it. In addition, the Agency has noted the need for minimum training standards for transportation personnel, to ensure that they treat disabled people with appropriate sensitivity.

In spite of these efforts by government, the disabled community told us that they are not well served by the passenger transportation system. In particular, staff are not trained to accommodate disabled passengers.

Another common theme from many groups was to pick the example that seemed to provide the greatest variety of transportation alternatives at the lowest apparent price, and cite this package as the standard to be achieved by all. Apart from the question of whether such a standard is achievable, describing a standard with only these elements overlooks key aspects of transportation delivery. Such aspects include market size and environmental impact, among others.

Only a large market makes it possible to sustain a wide variety of services at apparently low prices. Large markets, in transportation terms, mean high population densities concentrated in key locations: in other words, large metropolitan areas. While these areas may appear to have a better transportation service, a closer look at the whole picture is warranted. Such areas commonly suffer extensive congestion, transportation-related noise and degradation of air quality. Considerably higher prices are paid in these metropolitan areas for access to green space, recreation, parking and housing. What may appear to be a lower price for a better service may have a much higher price when the related costs of living and working in such areas are taken into account. As in every other aspect of life, there are trade-offs to be made, in this case between a less costly location and higher transportation costs.

Our Comments

The whole question of rights to transportation services requires a closer review. What are these rights? How far do they extend?

While we will be looking at these questions over the next year, we do not feel that Canadians with disabilities should be asked to wait until the 21st century for adequate passenger transportation services. By law, disabled Canadians have the right to public transportation services enjoyed by other Canadians. Although governments and industry have initiated a number of recent improvements, we encourage them, when training staff or developing or purchasing new equipment, to ensure that the needs of travellers with disabilities are considered.

LOOKING AHEAD: CRITICAL CONSIDERATIONS IN

DEVELOPING A FUTURE FRAMEWORK

Our exploration has shown us that the issues in passenger transportation are complex, economic resources are limited, and the demands of society are many and sometimes conflicting. Making choices about the passenger transportation system of the future is going to be very difficult. To assist in making these choices, we believe it would be useful, first of all, to decide on the characteristics that Canada's passenger transportation system should have, say, in 2020, and then begin, with each choice, to move in that direction; in other words, to develop a framework for passenger transportation decisions.

The essence of the transportation framework can be characterized by how it deals with key elements of the transportation system:

- the public and private sectors: what should their roles be?
- jurisdiction: which level of government should decide?
- fares, tolls and taxes: where should the money come from?
- the accountability of decision makers: how should the public be informed?

In designing a transportation framework, the first task will be to identify the preferred objectives and principles of the passenger transportation system of the future. In the following pages we will explore four possible objectives that might be considered for the passenger transportation system.

The second task will be to examine the key elements listed above, because we believe it is the interaction of these elements that will determine how well the passenger transportation system will work to meet the preferred mix of objectives. We will discuss the considerations that we believe are important in making decisions about these key elements.

Decisions on the objectives and these key elements should help us to recommend changes in the laws, regulations and institutions that will enable the objectives to be achieved and, thus, provide a framework for a national, integrated, inter-city passenger transportation system for the 21st century.

WHAT OBJECTIVES SHOULD A FUTURE PASSENGER TRANSPORTATION SYSTEM ACHIEVE?

The specific needs of travellers vary. The current passenger transportation system may differ markedly in its ability to meet the needs of the traveller on a quick business trip between cities, of a Regina family vacationing in the Maritimes, or of an individual in a rural community visiting friends and relatives in another town. Individuals generally choose between modes on the basis of the out-of-pocket costs of the services that are most important to them. They will, for example, trade off cost against such factors as frequency, speed and comfort.

Private-sector transportation providers generally seek profits. If markets were perfectly competitive, an appropriate balance would establish itself naturally between the demands of consumers and the levels of services offered by the transportation businesses.

The objectives of consumers who make choices, and the firms that provide transportation services, are fairly straightforward. Governments, however, have felt the need to intervene

in the workings of the transportation market for various reasons, for example: to improve equity; to improve the efficiency of markets that are not perfect; to encourage nation-building; and to achieve regional development. In this section we will focus on objectives that could guide the choice of government policies.

Equity

Equity means ensuring that reasonably similar benefits are provided to individuals in reasonably similar circumstances. Equity has many other dimensions. For example, it could mean making the transportation system accessible to those who are disadvantaged in some way — perhaps because they live in remote areas, are disabled or have low incomes.

Most Canadians support the principle that governments should provide assistance to those who are disadvantaged. When governments consider policy proposals motivated by concern for equity and fairness, they must decide that a legitimate need exists, balance this need against other claims for public support, and take into account competing demands for taxpayers' dollars.

Efficiency

Efficiency means getting the most value for each dollar spent. An efficient transportation system would provide the best value while meeting travellers' needs.

In assessing efficiency, benefits and costs must be defined as comprehensively as possible. Benefits should include not only the ability to travel from A to B, but also such factors as various levels of safety, convenience, speed, frequency and comfort. Costs should include factors that contribute

to the ticket price — labour, capital, machinery and fuel — as well as the broader costs caused by air pollution, land use, congestion and accidents.

Competitive markets are generally efficient. Governments might choose to intervene when markets are not efficient. This might occur when competitors are weak or non-existent, customers lack information necessary to make informed choices, or costs such as pollution or congestion are not taken into account.

Nation-Building

Historically, governments believed that transportation provided vital links in building the nation and tying the country together. Confederation itself depended upon a commitment to build a railway linking Nova Scotia and New Brunswick to central Canada. The building of the rail link between British Columbia and the other Canadian provinces, and the provision of ferry services linking Prince Edward Island and Newfoundland to the mainland, formed part of the agreements when these provinces became part of Canada. The need for transcontinental land and air links strongly influenced other transportation decisions, including the federal government's direct participation as owner of Canadian National Railways and Air Canada. Sovereignty over Canada's North was a factor in establishing transportation links in that direction.

Nation-building today involves a different set of challenges than it did earlier in Canada's history. Canada now has a relatively well developed and diversified passenger transportation system and the impetus seems to be toward greater international integration of carriers.

Regional Development

The objective of regional development first appeared in Canada's transportation legislation in the *National Transportation Act, 1987*.

At our hearings, people from across Canada argued in favour of investment in transportation infrastructure to promote regional, economic or industrial development. Many told us that the benefits to their region of a particular transportation investment would exceed the costs. We were also told that local control over transportation decisions was necessary to shape the type of development that was in the best interest of a particular region.

Regional development benefits are often described as increased tourism or business development in a particular region. This might or might not in itself be a desirable goal. Tourism, for example, may draw visitors from abroad and in this way create new employment in the industry; however, when the new activities flowing from transportation investments are drawn only from neighbouring regions, they lead to an inter-regional transfer of employment. From the perspective of the country as a whole, one must then ask to what extent regional development benefits represent only inter-regional transfers.

Trade-Offs

We have outlined four objectives that governments might consider when weighing options for future transportation systems: equity, efficiency, nation-building, and regional development. When considering the mix and balance among these objectives, trade-offs will have to be made. In the next

phase of our work, we will weigh these trade-offs in order to make recommendations on what we believe should be the appropriate mix of objectives to be achieved by the passenger transportation system of the 21st century.

KEY ELEMENTS

Once we have decided the appropriate mix of objectives for a passenger transportation system, there are a number of key elements that we will want to consider.

The Public and Private Sectors: What Should Their Roles Be?

In Canada's transportation sector, governments and the private sector have played different roles. For example, although the automobile industry is primarily subject to private-sector ownership and direction, the development and operation of many aspects of other modes of transportation are, or have been, subject to major government influence. This influence has been exercised through varying combinations of regulation, direct ownership of common carriers, provision of infrastructure (such as highways or airports), subsidies and special taxes.

The transportation system generally requires facilities that are expensive, long-lasting, fixed in location and not readily convertible to other uses. Often, these facilities do not operate in isolation, but are interrelated with the facilities and operations of other carriers and other modes. In Canada, for example, several airline companies share the same airport. In some countries there is even greater integration of infrastructure. Airline companies and railway companies may use the same terminal, so that airline passengers can disembark from airplanes and then board trains that carry

them towards their destinations. Integration, the efficient use of facilities and the high costs of new infrastructure require long-term planning on the part of both the public and the private sectors.

In recent years many countries have reduced their economic regulation of transportation; that is, the regulation of fares charged and of market entry and exit by firms in the industry. In Canada, we have had varying degrees of economic regulation for different modes. For example, while the regulation of airline companies has been reduced, this approach has generally not been adopted in the case of intercity bus companies. Safety, however, is regulated in all modes, a trend that is increasing.

Jurisdiction: Which Level of Government Should Decide?

Jurisdiction refers to the authority of a sovereign power to make and enforce laws within a territory. Jurisdiction over transportation was divided between the federal and provincial governments at the time of Confederation in 1867 under the *Constitution Act, 1867*. As we noted in Chapter II, provincial governments were generally given jurisdiction over transportation systems within their boundaries, while the federal government was given authority over transportation systems that crossed those boundaries. Each government has passed laws and regulations and created institutions to govern the transportation systems within their own jurisdictions.

Significant transportation policy development and decision making also occurs at the municipal level. As a result of urban and suburban growth, decisions made at the municipal and regional level are playing an increasing role in intercity transportation. Under the Constitution, municipalities have no jurisdiction in their own right, but are delegated authority by the provinces.

While the basic division of powers has not changed since 1867, the national passenger transportation system has undergone many transformations. Intercity passenger rail transportation, for example, first became the dominant form of travel and then decreased dramatically. At one time the national railways, which were and still are under federal jurisdiction, were the principal means of moving people from province to province or even within the same province. Today the national rail system is still used to move freight, but used less to move people. The greatest opportunities for passenger rail services appear to be for short-to-medium distances at the regional level.

Roads, on the other hand, were once considered largely a matter of local interest and have historically been under provincial jurisdiction. The Trans-Canada Highway is primarily the responsibility of the provinces through which it passes. In contrast, in other federations such as Australia, Germany, and the United States, central governments play a large role in influencing, financing and maintaining a national highway network.

Improved coordination among various levels of government could be achieved by, for example, cooperation among municipalities and provinces, both within a region and between regions, and with the involvement of the federal government. Coordination is likely to be advantageous in transportation activities that span or affect more than one region, or that require inter-regional cooperation. Similarly, there could be advantages to coordinating policy decisions that affect all modes of transportation that compete or should compete with one another, either in the total system or regionally. This type of coordination could prevent situations in which one mode was given a competitive advantage because of regulations set by one level of government that were not consistent with those set by another.

The problem, then, becomes the identification of modes that compete or should compete. Our study of the transportation system thus far suggests that a modal approach may be inappropriate. For many trips, especially those for business purposes, the time the trip takes appears to be a more significant factor than the mode itself. At about two hours, airplanes, trains and cars are all competitive. At about three hours, cars begin to drop away and competition is between trains and airplanes. One might consider whether short air trips should be regulated by one level of government and long trips by another, and whether responsibilities should be reassigned as technology reduces air travel time. The evolution of technology could influence the degree of integration of responsibilities and the choice of coordination mechanisms.

Fares, Tolls and Taxes: Where Should the Money Come From?

Consumers and taxpayers pay for the building, construction, maintenance and operation of transportation projects. Private-sector industries such as bus, airline, railway and ferry companies charge fares and, in some cases, receive subsidies and tax benefits. Government participation in transportation is funded by revenues raised from two sources: taxes and user-charges.

A tax is a general charge that does not distinguish between transportation activities and those of other sectors of the economy. For example, while a general sales tax raises revenues from transportation-related items such as car sales, gasoline purchases and ticket prices, it also raises revenues from many other non-transportation-related items that are taxed at the same rate. The revenues from a general sales tax are usually put into one central pot, from which expenditures are made for all government activities, including transportation.

A user-charge, broadly defined, is a payment to the government based specifically on the use of the transportation system. For example, drivers' licences and car registrations are forms of user-charges. Other user-charges include gasoline taxes, road and bridge tolls, and airline ticket taxes. These user-charges may or may not be dedicated to transportation expenditures and investments.

User-charges generally encourage consumers to change their demands on infrastructure — whether the infrastructure is airport runway space or a highway. Also, user-demand varies as fee levels change, providing governments with a useful indication of how much the public values the service.

Public demand for improvements to existing infrastructure, and for construction of new infrastructure, will continue. Governments will have to take demand for services into account when they consider how to finance new infrastructure. Trade-offs will have to be made among many demands, including transportation-related projects, and the government's willingness to either increase taxes or incur a deficit. For major transportation infrastructure projects, other financing alternatives, such as new or increased user-charges, might have to be considered.

The Accountability of Decision Makers: How Should the Public be Informed?

An informed public is one that has access to information and understands the reasons behind government decisions, including information such as:

- who uses the transportation system;
- who pays and who benefits;

- who gets the subsidies;
- the environmental effects; and
- the congestion levels.

Improved data collection and a data bank would provide useful information on transportation activities. Neither, however, would give the public an adequate explanation of government decisions. Perhaps the public would welcome a report card on transportation decisions made by government. What information might this report card include and how might it be presented? Should it include the costs and benefits taken into account by a government in arriving at its decisions? Should it explain who uses the transportation system, who pays and who gets the subsidies? Should it describe the effects of transportation policy and expenditure decisions on the environment and on congestion levels? Who should undertake such a review?

THE NEXT STEPS

The Commission has been given a broad mandate to investigate all the issues relevant to national passenger transportation in all modes. This we intend to do. Our objective is to make recommendations in our final report that are based on a sound policy framework.

We have noted some of our concerns in this chapter and we acknowledge that some issues — such as open skies, high-speed rail in heavily populated corridors, and a national highway system — are believed by some to require a decision before our final report is due. We also acknowledge pressures from many quarters to make specific recommendations on these issues at this time. In this regard, we trust that this

interim report will provide some guidance for decisions to be made before our final report is presented in late 1992. We hope that the concerns and questions we have raised will be addressed and dealt with during the decision making process.

In the phase of our work that will lead to our final report, we will be considering passenger transportation frameworks for the 21st century by undertaking the following commitments:

1. We will closely examine existing laws, regulations and institutions in order to ascertain the objectives and principles that guide decision making today. In doing so, we will determine whether they are the right objectives for the passenger transportation system of the 21st century. If we determine that they are not, we will make recommendations on what we believe the objectives for the future should be.
2. We will review the key elements to determine whether our answers to the questions we have posed will work to meet our preferred objectives.
3. We will comment on how the current laws, regulations and institutions should be changed in order to embody our preferred objectives and key elements.
4. We will analyze the implications that our framework might have for some major specific issues in passenger transportation.

APPENDIX A

ORDER IN COUNCIL

P.C. 1989-2096



Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by Her Excellency the Governor General on the 19th day of October, 1989.

The Committee of the Privy Council, on the recommendation of the Prime Minister, advise that a Commission do issue under Part I of the Inquiries Act and under the Great Seal of Canada appointing:

Louis Davies Hyndman of Edmonton, Alberta
Marie-Josée Drouin of Montreal, Quebec
Susan A. Fish of Toronto, Ontario
Marc Gaudry of Montreal, Quebec
William P. Kelly, C.M., of Ottawa, Ontario
John B. Hamilton, O.C. of Toronto, Ontario
John Forbes Helliwell of Vancouver, British Columbia
James D. McNiven of Halifax, Nova Scotia
Dr. Maurice LeClair, O.C., M.D., of Westmount, Quebec

together with such other persons as may be named from time to time, to inquire into and report upon a national integrated inter-city passenger transportation system to meet the needs of Canada and Canadians in the 21st century and to ensure that transportation links among Canada's regions and communities are maintained and improved; and

The Committee also advise that the study include an examination of

- (a) the role of a national integrated inter-city passenger transportation system, in the context of
- the relationship of the inter-city passenger system with the whole transportation system;
 - the current extent and state of Canada's inter-city passenger transportation system;
 - demographic and population trends;
 - social trends and user preferences;
 - technological developments in the transportation industry;
 - international transportation developments and how they could impact on Canada's competitiveness;
 - the economic prospects for the Canadian economy and their likely impact on inter-city passenger transportation requirements;
 - the mobility needs of Canadians;

...2

- 2 -

- (b) the structure of a national integrated inter-city passenger transportation system for transportation by air, marine, highway and rail and the relations among the modes, taking into account
- the means to encourage Canadians to travel within Canada;
 - the appropriate mix among the various modes so as to maximize the effectiveness, efficiency and competitiveness of the system;
 - the financial implications of such a system, including initial capital requirements as well as the cost of maintaining and operating the system;
 - the promotion of energy efficient means of transportation;
 - the environmental impact of various options in order to achieve a balance between the environmental impact and the transportation needs of Canadians;
- (c) the potential for and the constraints on achieving a national integrated inter-city passenger transportation system by
- advising on the institutional arrangements required, including any arrangements needed to rationalize and coordinate the respective roles of the three levels of government in Canada in the provision of inter-city passenger transportation services;
 - examining the relevant labour relations environment;
 - assessing the transportation industry-government interface;

.../3

- 3 -

- (d) the appropriate financial arrangements to achieve a national integrated inter-city passenger transportation system by
- taking into account the jurisdictions of the different levels of government and the role of the private sector;
 - taking into account the overall cost to Canadians;
 - considering the concept of appropriate user shares;
 - examining means of attracting private financing to major transportation projects; and

Commissioners The Committee also advise that the

- (1) be authorized to adopt such procedures and methods as they may from time to time deem expedient for the proper conduct of the inquiry and to sit at such times and in such places as may be required;
- (2) be authorized to rent such space and facilities as may be required for the purposes of the inquiry, in accordance with Treasury Board policies;
- (3) be authorized to engage the services of such experts and other persons as are referred to in section 11 of the Inquiries Act, at such rates of remuneration and reimbursement as may be approved by the Treasury Board;
- (4) be directed, within the ambit of their work, to seek the views of all provincial and territorial governments as well as interested Canadians from all walks of life and all regions of the country;
- (5) be directed to submit an interim report to the Governor in Council in both official languages not later than eighteen months from now;
- (6) be directed to submit a final report to the Governor in Council in both official languages with all reasonable dispatch but no more than three years from now;

.../4

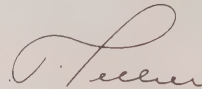
- 4 -

- (7) be directed to file the records and papers of the inquiry as soon as reasonably may be after the conclusion of the inquiry with the Clerk of the Privy Council; and

The Committee also advise that Louis Davies Hyndman of Edmonton, Alberta, and Marie-Josée Drouin of Montreal, Quebec, be the Chairman and Vice-Chairman respectively of the Commission; and

The Committee further advise that Janet Smith of Ottawa, Ontario, be appointed Executive Director of the Commission.

CERTIFIED TO BE A TRUE COPY / COPIÉ CERTIFIÉ CONFORMÉ



CLERK OF THE PRIVY COUNCIL / LE GREFFIER DU CONSEIL PRIVE

APPENDIX B

SCHEDULE OF SUBMISSIONS

Abercrombie, Vera
Acadian Lines Limited
Accès-Bleuets
Adair, Inez
Advanced Science and Research
Advisory Commission on Employment Equity
for the Disabled
Air Alliance Inc.
Air Atlantic Ltd.
Air Canada
Air Nova Inc.
Air Ontario Inc.
Air Transat
Air Transport Association of Canada
Airport Management Conference of Ontario
Alberta Committee of Disabled Citizens
Alberta Council on Aging
Alberta Federation of Labour
Alberta Roadbuilders and Heavy Construction
Association
Alexander, Earl-Ingram
Alexandria, Anne Gloria
Alkan Air Limited
Allen, Peggy
Alliance of Canadian Travel Associations
Amiro, Nelson
Anderson, Ernest *
Angus, Iain, MP
Archer, John *
Armstrong, James *

* denotes Dial-A-Brief

Arseneault, Guy H., MP
 Asea Brown Boveri Inc.
 Asher, Alan *
 Association des constructeurs de routes et
 grands travaux du Québec
 Association des propriétaires d'autobus du Québec
 Association des prospecteurs du Québec
 Association du transport écolier du Québec
 Association of Consulting Engineers of Canada
 Association Québécoise de loisirs pour
 personnes handicapées
 Association Québécoise du transport et des routes inc.
 Association touristique Chaudière-Appalaches
 Athabaska Airways Ltd.
 Atlantic Provinces Transportation Commission
 Atlas Tours Ltd.
 Aylward, Kevin, MHA
 Aylward, Robert J., MHA — Newfoundland Official
 Opposition Transportation Critic
 B.C. Association of Indian Friendship Centres
 B.C. Ferry and Marine Workers' Union
 B.C. Transit
 Baffin Regional Chamber of Commerce
 Baffin Region Inuit Association
 Baffin Regional Council
 Bagnall, The Honourable Leone — Leader of
 the Opposition, Prince Edward Island
 Bagneau, Larry *
 Baird-Filliter, Barbara, Leader of the Progressive
 Conservative Party of New Brunswick
 Banff — Lake Louise Chamber of Commerce
 Banninga, Edward P.
 Barron, R.E.
 Barstead, Mark
 Barton, Ray *
 Baster, John

* denotes Dial-A-Brief

Bearskin Airlines
 Beatty, Eileen
 Bechtel, George
 Beesack, Lavada *
 Bennett, Roy
 Betz, Martin
 Bietenholz, Doris *
 Bilek, Ann *
 Bishop, Barry R.
 Black, Mrs. Marjorie *
 Blaikie, Bill, MP
 Blondin, Ethel, MP
 Bluenose Boat Yard
 Blyth & Company
 Board of Trade of Metropolitan Toronto
 Boberg, Mike
 Boffett, Judy *
 Bombardier Inc.
 Borson, Roo
 Brandon Economic Development Board
 Brigden, Joan E.
 British Columbia Automobile Association
 British Columbia Coalition of People with Disabilities
 British Columbia Railway Historical Association
 Brockelbank, John, MLA — Saskatchewan Official
 Opposition Critic for Highways and Transportation
 Brotherhood of Locomotive Engineers —
 British Columbia Legislative Board
 Brotherhood of Locomotive Engineers — National Office
 Brown, E.L. *
 Brown, Ronald F.
 Burgess, Graham *
 Burns, Austin *
 Byer, Anne *
 Byer, George *
 Cable, Ron *

* denotes Dial-A-Brief

Calgary Parks and Recreation Board *
 Calgary Transportation Authority
 Calm Air International Ltd.
 Cameron, Gary *
 Canadian Air Traffic Control Association
 Canadian Airlines International Ltd.
 Canadian Airports Limited
 Canadian Association for Community Living,
 Sydney Branch
 Canadian Association of Tour Operators
 Canadian Automobile Association
 Canadian Automobile Association — Quebec
 Canadian Automobile Association — Saskatchewan
 Canadian Brotherhood of Railway, Transport & General
 Workers — Atlantic Region
 Canadian Brotherhood of Railway, Transport & General
 Workers — National Office
 Canadian Brotherhood of Railway, Transport & General
 Workers — Prairie Region
 Canadian Bus Association
 Canadian Business Aircraft Association Inc.
 Canadian Council of the Blind, B.C. — Yukon Division
 Canadian Federation of Labour
 Canadian Federation of Students — New Brunswick
 Canadian Hard of Hearing Association
 Canadian Human Rights Commission
 Canadian Labour Congress
 Canadian National Institute for the Blind
 Canadian National Railways
 Canadian Pacific Hotels & Resorts
 Canadian Pacific Pensioners Association
 Canadian Paraplegic Association
 Canadian Parks and Recreation Association
 Canadian Passenger Rail Travellers
 Canadian Pensioners Concerned Incorporated,
 Nova Scotia Division

* denotes Dial-A-Brief

CP Rail

Canadian Railway Labour Association

Canadian Railway Labour Association, Ontario

Legislative Committee

Canadian Rehabilitation Council for the Disabled

Canadian Rehabilitation Council for the Disabled,

New Brunswick Branch

Canadian Union of Transportation Employees,

Local #1, Locomotive Engineers

Canadian Urban Transit Association

Capital Regional District

Capstick, Albert *

Catterall, Marlene, MP

CAW — Canada

Cedilnik, Arlene *

Centre for Continuing Education, McGill University

Centre for Research on Transportation, University

of Montreal

Centre for Transportation Studies, University of

British Columbia

Chamber of Commerce of Metropolitan Montreal

Chamber of Commerce and Industry of

Metropolitan Quebec

Chetback, John *

Chicoutimi Chamber of Commerce

Churchill Development Board

Citizens Association to Save the Environment

City of Brandon

City of Calgary — VIA Rail Task Force

City of Campbellton

City of Chicoutimi

City of Corner Brook

City of Dorval

City of Edmonton

City of Fort McMurray

City of Gaspé

* denotes Dial-A-Brief

City of Grande Prairie
City of Halifax
City of Jonquière
City of Laval
City of Lethbridge
City of London
City of Melville
City of Mirabel
City of Moncton
City of Montreal
City of Ottawa
City of Peterborough
City of Port Moody
City of Prince Rupert
City of Quebec
City of Red Deer
City of Regina
City of Saint John
City of Sarnia
City of Saskatoon
City of Sherbrooke
City of St. John's
City of Thompson
City of Thunder Bay
City of Toronto
City of Whitehorse
City of Windsor
City of Winnipeg
City of Yellowknife
Clancy, Dorothy
Clark, Waleena *
CMH Heli-Skiing/Hiking
CN Roadcruiser Service
Coalition of Provincial Organizations of the Handicapped
Cody, Norman R.
Coll, Philip

* denotes Dial-A-Brief

Collicott, Martin *
 Collier, Agnes *
 Collier, Barbara
 Collier, Ken *
 Combined Councils of Labrador
 Comité de la protection de la santé et de
 l'environnement de Gaspé inc.
 Comité intermunicipal de développement
 économique de Labelle inc.
 Comité régional de transport des Îles-de-la-Madeleine
 Commercial Travellers' Association of Canada
 Comuzzi, Joe, MP
 Concerned Citizens Committee on High Airfare
 Costs and Poor Service
 Conseil économique du Nouveau-Brunswick inc.
 Conseil régional de concertation et de développement
 Gaspésie/Îles-de-la-Madeleine
 Conseil régional de concertation et développement
 de la région de Québec
 Conseil régional de développement de
 l'Abitibi-Témiscamingue
 Conseil régional de développement de la Côte-Nord
 Conseil régional de développement du Bas-Saint-Laurent
 Conseil régional de l'environnement de l'Est du Québec
 Conservation Council of New Brunswick
 Consumer and Corporate Affairs — Bureau of
 Competition Policy
 Consumer Organization of Disabled People of
 Newfoundland and Labrador
 Consumers' Association of Canada — Ontario
 Consumers' Association of Canada — Saskatchewan
 Cooke, William E.
 Corporation de développement des Laurentides inc.
 Corporation de développement économique de Mirabel
 Corporation municipale de St-Antoine de l'Île-aux-Grues
 Cove, Gerald R.

* denotes Dial-A-Brief

Cox, Mrs. Lawrence *
 CP Rail Pensioners, Thunder Bay Chapter
 Crossroads Resource Group
 Crow, Stanley
 Curtis, Brian *
 Custom Transportation Services Advisory Board —
 Edmonton
 Daigle, Ronald *
 Dal Cin, Lorraine *
 Daoust, Lozia *
 Davies, Anita *
 Davis, Isaac *
 de Groot, Connie
 DeMarco, Thomas
 Dobie, Eve-Lynn
 Dolhan, Walter *
 Donay, Margaret
 Donovan, John L.
 Dorani, L. *
 Doyle, Jerry, MLA — Alberta Official Opposition
 Transportation Critic
 Drumheller Valley Tourism Bureau *
 Dunn, Dr. Wesley J. *
 Duquette, Grace
 EcoCity Society
 Egan, Kevin J.
 Enterprise Newfoundland and Labrador, Labrador Region
 Environmental Coalition of P.E.I.
 Environmental Mediation and Arbitration Group
 Erskine, A.J.
 Facing the Future Inc.
 Fader, D.J.
 Federation of Canadian Municipalities
 Federation of Prince Edward Island Municipalities
 Fédération des aînés Fransaskois
 Fédération des clubs de l'âge d'or de l'Est du Québec

* denotes Dial-A-Brief

Ferguson, John R.
 Ferrier, David
 Finlay Navigation Ltd.
 Fischer, Mel *
 Fisher, Wendall
 Fort Chipewyan Advisory Council for Improvement
 District No. 18 (N)
 Fort Nelson-Liard Regional District
 Fraser, Ken *
 Friends of the Earth
 Gabriel, Frank *
 Gardiner, Brian, MP
 General Motors of Canada Limited, Diesel Division
 Gestion ferroviaire Québec-Portneuf inc.
 Gibbens, Keith
 Gibson, Robby *
 Gingras, Dr. Gustave
 Goliger's Travel
 Goodwin, Robert
 Gosselin, Wilfrid
 Government of Alberta — Department of Transportation
 and Utilities
 Government of Manitoba — Department of Highways
 and Transportation
 Government of New Brunswick — Department of
 Transportation
 Government of Newfoundland and Labrador —
 Department of Development & Tourism
 Government of Newfoundland and Labrador —
 Department of Works, Services and Transportation
 Government of Nova Scotia — Department of
 Transportation and Communications
 Government of Prince Edward Island — Department of
 Transportation and Public Works
 Government of Saskatchewan — Department of
 Highways and Transportation

* denotes Dial-A-Brief

Government of the Northwest Territories —
 Department of Transportation
 Government of the Yukon — Department of Community
 and Transportation Services
 Grande Prairie and District Chamber of Commerce
 Greater Charlottetown Area Chamber of Commerce
 Greater Peterborough Economic Council
 Greater Vancouver Regional District
 Greater Victoria Chamber of Commerce
 Green Party of Newfoundland and Labrador
 Green, Paula *
 Greene, Richard
 Grey Goose Corporation Limited
 Grey, Gordon *
 Greyhound Lines of Canada Ltd.
 Grunert, Lou
 Guse, Marjorie *
 Halifax Board of Trade
 Hall, Nancy *
 Hall, Robert M.
 Hammel, Elizabeth
 Hammond Manufacturing Company Limited
 Handy Circle Promotions Society
 Hansen, Helen
 Hansen, Robert
 Harding, Jean *
 Harris, David John *
 Hart, Eleanor
 Hazlitt, Dave
 Heartly, Linda *
 Heritage Canada Foundation
 Hill, Charles E.
 Hogan, Bill, MHA
 Hogan, Emma
 Howard, F.H.
 Howarth, John *

* denotes Dial-A-Brief

Hummason, Bernice
 Imperial Oil Limited
 Industrial Cape Breton Board of Trade
 Institute for Integrated Energy Systems,
 University of Victoria
 Institute of Transportation Engineers, District 7 Canada
 International Association of Machinists and
 Aerospace Workers
 Inuvialuit Development Corporation
 Iqaluit Chamber of Commerce
 Jacobson, John W.
 Jansen, Fred *
 Jelinski, Eric *
 Jette, Tannys *
 Johnson, C.E.
 Johnston, Ivan F.
 Josline, Edna B. *
 Journault, Burt *
 Kar, Stephen *
 Kasoff, Jan *
 Kaufman, Carl *
 Keagan, Charlie *
 Keewatin Chamber of Commerce
 Keewatin Inuit Association
 Keewatin Regional Council
 Keewatin Regional Health Board
 Kemp, Mildred A.
 Kéroul — Tourisme pour personnes à capacité
 physique restreinte
 Kingston Area Economic Development Commission
 Kitchener-Waterloo Action Committee on
 Passenger Train Service
 Klewin, Jean S.
 Knight, Hal
 Kosak, Joeen
 Kotipelto, Kirsti *

* denotes Dial-A-Brief

Labrador Airways Ltd.
Labrador Community Futures Committee
Labrador North Chamber of Commerce
Labrador West Chamber of Commerce
Labrador West Tourism Development Corporation
Labrador White Bear Development Association
Laferrière, Suzanne
Lakehead University
Lambert, G.H.
Lapka, Ihor
Laporte, Rod, MP
Laurentian University
Lavalin Inc.
Leahy, Stephen G.
LeBlanc, Francis, MP
Legault, Yvette *
Leibold, David *
Lenay, Pierre *
Leney, Peter
Lerch, Bob *
Les Ami-e-s de la Terre de Québec
Les entreprises ferroviaires du Canada inc.
Liebrock, L.
Lipphardt, Anja *
Lofthouse, Norma
Lofthouse, Peter
Lorraine, Edward F., MLA
Lorway, Charles R., Sr.
Lower Mainland Commuter Rail Consortium
Lund, Gary W.
Macdonald, E.B.
Macdonald, Jean *
MacDonald, Allan F.
Mackenzie Regional Planning Commission
MacLellan, Russell, MP
MacRury, Daniel A.

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Madden, Wayne
Mahaffy, Dave *
Maltman, Dr. K.R.
Manitoba Motor League
Manship, Dorothy *
Mares, Emily *
Marleau, Diane, MP
Martens, Debra
Massawippi Trail
Massicotte, Les *
Mather, Viki
Mathieu, Dick
McAllister, Kenneth
McCarney, Frank *
McDonough, Alexa, MLA — Leader of the Nova Scotia
 New Democratic Party
McDougall & Secord Limited
McGuire Communications Ltd.
McInnis, Joseph *
McIntyre, W. Terry
McKay, J.R.
Mears, G. *
Memorial University of Newfoundland
Mettler, Albert J.
Milliken, Peter, MP
Modlich, Hans G.
Moir, K.D.
Mokami Regional Development Association
Monday, Jenny *
Montreal Board of Trade
Moore, Paulina *
Morin, François *
Morin, Mrs. François *
Morrison, A.L.
Motor Vehicle Manufacturers' Association
Mount Allison University Students' Union

* denotes Dial-A-Brief

Mowat, Claire
 Municipality of the County of Cape Breton
 Myer, Ms. Lou *
 N'Swakamok Native Friendship Centre
 National Capital Commission
 National Council of Women of Canada
 Nault, Robert D., MP
 Nechako Environmental Coalition
 New Brunswick Chamber of Commerce
 New Brunswick Federation of Labour
 Newfoundland and Labrador Chamber of Commerce
 Newfoundland and Labrador Federation of Students
 Norman Regional Development Corporation
 North Central Municipal Association
 North Mainline Committee
 Northern Air Transport Association
 Northern Association of Community Councils
 Northern Ontario Native Tourism Association
 Northern Village of Cumberland House
 Northside Community Futures Committee
 NorthStar Aircraft Company
 Northumberland Ferries Limited
 Northumberland Passenger Task Force
 Northwest Territorial Airways Ltd.
 Northwest Territories Association of Municipalities
 Northwest Territories Chamber of Commerce
 Nova Scotia Chamber of Commerce
 Nova Scotia League for Equal Opportunities
 Nova Scotia Safety Council
 Nyberg, Lorden *
 Office des personnes handicapées du Québec
 Olsen, John *
 Ontario Advisory Council for Disabled Persons
 Ontario Convention and Visitors Association
 Ontario Motor Coach Association
 Ontario Traffic Conference

* denotes Dial-A-Brief

Orton, Mrs. *
 Ottawa-Carleton Board of Trade
 Ottrin, Clara
 Ottrin, Joseph
 Palmer, G.J.
 Palmer, Robert *
 Park, Marianne *
 Parkin, Roma *
 Parsons, Gloria *
 Parsons, Graham *
 Peace Air Ltd.
 Peace, Terry *
 Peale, Kenneth S.
 Pearce, John C.
 Pearce, Wayne S.
 Peterson, Mildred *
 Picard, Robert *
 Pich, Nancy *
 Pickering, Lila *
 Pioeesan, Isabelle *
 Pippy Park Conservation Society
 Pitt, Lenore *
 Placonouris, Myra *
 Pogue, Betty *
 Pollution Probe Foundation
 Posloski, John *
 Post-Graduate Students' Society of McGill University Inc.
 Prairie Flying Service
 Pray, Senator Charles P., President of the Maine
 State Senate
 Prince Edward Island Council of the Disabled Inc.
 Prince Edward Island Road Builders Association
 Prince George Airport Advisory Committee
 Prince George Chamber of Commerce
 Prince George Region Development Corporation
 Pringle, Stephen John

* denotes Dial-A-Brief

Prohaska, Miguel *
 Quebec Union for the Conservation of Nature
 Quebec Urban Community
 Quetico Centre
 Rail Passenger Restoration Committee — Moose Jaw
 Rail Travel Centre Tours
 Rainbow Connection Highway Society
 Randall, I.W.
 Redmond, Chris *
 Regional District of Fraser — Fort George
 Regional Municipality of Ottawa-Carleton
 Regional Municipality of Waterloo
 Regional Municipality of York
 Regroupement des usagers du transport adapté
 de Hull métropolitain
 Regroupement des usagers du transport adapté de
 Sherbrooke métropolitain
 Reid, Daryl, MLA — Manitoba Official Opposition
 Transportation Critic
 Reid, Jeff *
 Reid, Norm *
 Remus, Vi
 Rhodes, Elizabeth
 Richards, Jim *
 Ridlington, Roy J.
 Riggs, Mary *
 Rimouski Chamber of Commerce
 Robinson, Jill *
 Rogers, Debbie *
 Roman Catholic Agriculture Coordinating Committee
 Rompkey, Bill, MP
 Ross, Robert G. *
 Rossiger, Jeremy *
 Rural Dignity of Canada
 Rutherford, David *
 Sahlgren, Len

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Sakku Corporation
 Salamon, Sandra *
 Samson, Cid, MP
 Sandell, G.A.
 Sanders, Doreen
 Saskatchewan Association of Rural Municipalities
 Saskatchewan Federation of Labour
 Saskatchewan Voice of the Handicapped
 Sauer, Elmer *
 Sauer, Jim
 Sauer, Tom *
 Save VIA Rail Committee
 Schacherl, Ugo *
 Schnabel, Mrs. *
 Schulz, Andrew
 Schurman, Graham *
 Sears, Bob
 Sears, Carol
 Seaway-Adirondack Transport Group
 Sheppard, Paul R.
 Sherk, John *
 Shore, Bruce M.
 Shtern, Avrom David
 Sibille, Jacques
 Sierra Club of Canada
 Sierra Club of Western Canada
 Skinner, Mrs. Daniel *
 Smith, A.E.
 Smith, Anthony C.
 Smits, Rev. K. Teddy
 SMT (Eastern) Ltd.
 SNC Group Inc.
 Snetsinger, Ross
 Société de développement économique du Saint-Laurent
 Société de développement économique du
 Sherbrooke métropolitain

* denotes Dial-A-Brief

Société de promotion économique du Québec
 métropolitain
 South Shore University Women's Club
 Spiegel, Don
 Spratt, Joe
 St. Francis Xavier University Students' Union
 St. John's Church
 Stammers, Norman *
 Stanley Associates Engineering Ltd.
 Stark, Chris *
 Stechishin, V. M. (Vic)
 Stephenson, Margaret L.
 Sterling Software International (Canada) Inc.
 Stevens, Dr. John
 Stewart, John *
 Stonehouse, John *
 Sudbury & District Labour Council
 Sudbury Regional Development Corporation
 Surrey Livery Service
 Sydney Harbour Ports Regional Development Board
 Tate, Shirley *
 Think Rail Group
 Thompson, Bill
 Thunder Bay Chamber of Commerce
 Thunder Bay Economic Development Corporation
 Tivy, R.H.
 Toronto Airways Limited
 Toronto-Peterborough/Havelock Line Passenger
 Association
 Tourism Industry Association of Alberta
 Tourism Industry Association of Nova Scotia
 Tourism Industry Association of Saskatchewan
 Tourism Industry Association of the Northwest Territories
 Tourism Victoria
 Town of Bowden
 Town of Bracebridge

* denotes Dial-A-Brief

Town of Cardston
Town of Churchill Falls
Town of Fort Nelson
Town of Fort Smith
Town of Gander
Town of Happy Valley-Goose Bay
Town of Hay River
Town of Inuvik
Town of Iqaluit
Town of Labrador City
Town of Matane
Town of Nackawic
Town of North Sydney
Town of Simcoe
Town of St. Anthony
Town of St. Marys
Town of St. Stephen
Town of The Pas
Town of Vegreville
Town of Wabush
Trans-Action Coalition
Transport 2000 Atlantic
Transport 2000 British Columbia
Transport 2000 Canada
Transport 2000 Canada — Alberta Branch
Transport 2000 Ontario
Transport 2000 Québec
Transportation Committee of Churchill
Tree Frog Press
Trenholme, James *
Trumpeter Regional Initiative Project
Union des municipalités du Québec
Union of Manitoba Municipalities
United Senior Citizens of Ontario
United Steelworkers of America, Local 5795
United Transportation Union — Canada

* denotes Dial-A-Brief

United Transportation Union — Canada, Nova Scotia
 Legislative Board
 United Transportation Union — Canada, Quebec
 Legislative Board
 University College of Cape Breton Students' Union
 University of Prince Edward Island Student Union Inc.
 University of Toronto School of Physical and
 Health Education
 University of Waterloo Federation of Students
 University of Western Ontario Students' Council
 University of Windsor
 Vair, Stewart *
 van Stelten, Rosalee
 Van Massenhoven, August *
 VanBuskirk, F.J. *
 Vancouver International Airport Authority
 Vancouver Island/Coast Region Transportation Task Force
 Vancouver Task Force on Atmospheric Change
 Veldhuis, John *
 VIA Rail Canada Inc.
 Vicar, Dr. *
 Victoria handyDART Advisory Committee
 Village of Bertrand
 Village of Minto
 Village of Paquetville
 Village of Stanstead Plain
 Village of Telkwa
 Vogan, R.W. *
 Walker, David, MP
 Walsh, Marian C.
 Wapiti Aviation Ltd.
 Watson, James Douglas
 Watson, Susan
 Weitzel, Marguerite *
 Well Information Services for the Elderly
 Welsh, Mathieu

* denotes Dial-A-Brief

West Coast Railway Association
Western Rail Passenger Restoration Committee
Western Transportation Advisory Council
White Pass Transportation Limited
Whitney, Richard
Wiggins, Renard *
Wilcox, Ernest *
Wilfrid Laurier University Students' Union
Williams, Geeshen Clausen
Williams, James *
Wilson, E.C. Grant
Wilson, W.A. (Dale)
Wimperis, Bill *
Windsor & District Chamber of Commerce
Windsor, Essex County & Pelee Island Convention
and Visitors Bureau
Winnipeg Chamber of Commerce
Wood, Marilyn *
Wyton, Julia J. *
Yellowhead Highway Association
Yeo, Arlene *
Youth Council of New Brunswick
Yu, Brian

APPENDIX C

SCHEDULE OF PARTICIPANTS IN PUBLIC HEARINGS

YELLOWKNIFE, Northwest Territories

Monday, August 27, 1990

Government of the Northwest Territories

Department of Transportation

The Honourable Gordon Wray, Minister

Hal Gerein, Deputy Minister

Pietro de Bastiani, Senior Policy Analyst

Northwest Territories Chamber of Commerce

Jane Groenewegen, President

Town of Fort Smith

Louis Sebert, Deputy Mayor

City of Yellowknife, and on behalf of the Northwest Territories

Association of Municipalities

Patricia (Pat) McMahon, Mayor

MLA for Hay River

John Pollard

Tourism Industry Association of Northwest Territories

Bill Braden, Executive Director

Sail North

Mike Stilwell

Northwest Territorial Airways Ltd.

Mark Dodd, President

Arctic Frontier Carriers Limited

Al Hemeyer

INUVIK, Northwest Territories
Tuesday, August 28, 1990

Inuvialuit Regional Corporation
Roger Gruben, Chairman
John Banksland, Secretary-Treasurer

Inuvialuit Development Corporation
Bob Naismith, President & CEO
Knut Lonningdal, Controller

MP for Western Arctic
Ethel Blondin

Northern Air Transport Association
Roch Gagnon
Dunc Fisher

Town of Inuvik
John Hill, Mayor
Tom Detlor, Town Planner

Open Session

Malcolm Eyes, President, Inuvik Chamber of Commerce
Cynthia Hill, NWT Department of Education & former Mayor
of Inuvik

Knut Lonningdal, Inuvialuit Development Corporation
Roch Gagnon, Northern Air Transport Association
Dunc Fisher, Northern Air Transport Association
John Hill, Mayor of Inuvik
Tom Detlor, Town Planner

WHITEHORSE, Yukon
Wednesday, August 29, 1990

Commissioner of the Yukon Territory
Ken McKinnon

Government of the Yukon
Department of Community and Transportation Services
The Honourable Maurice Byblow, Minister
Roger Graham, Deputy Minister
Turgot Ersoy, Director of Transportation Services

On behalf of Audrey McLaughlin, MP for the Yukon
Jennifer Mauro, Research Assistant

Atlas Tours Ltd.
David Reardon, Manager Sales & Marketing

Delta Air Charters
Bob Ambrose

City of Whitehorse
Dr. Donald W. Branigan, Mayor

White Pass Transportation Limited
Marvin P. Taylor, President & COO

IQALUIT, Northwest Territories
Monday, August 27, 1990

Bradley — First Air
John Crichton, Executive Vice-President

Town of Iqaluit
Yvon Blanchette, Mayor

Baffin Region Inuit Association
Pauloosie Keyootak

Anglican Diocese of the Arctic
Bishop Chris Williams

Iqaluit Chamber of Commerce
Al Woodhouse
Bruce Borton

Baffin Regional Council
Meeka Kilabuk

Baffin Regional Chamber of Commerce
Cheri Kemp-Kinnear, President

RANKIN INLET, Northwest Territories
Tuesday, August 28, 1990

Keewatin Chamber of Commerce
John Todd, Secretary

Keewatin Regional Health Board
Mike Vaydick, Chairman

Keewatin Inuit Association; Sakku Corporation
Tagak Curley

RANKIN INLET, Northwest Territories

Wednesday, August 29, 1990

Round Table Discussion

Michael Amarook, Deputy Mayor, Hamlet of Baker Lake
Simeonie Sammurtok, Mayor, Hamlet of Chesterfield Inlet
Wilie Adams, Councillor, Hamlet of Coral Harbour
John Nannilaq, Councillor, Hamlet of Spence Bay
Peter Ookpick, Mayor, Hamlet of Gjoa Haven
Makabe Nartok, Mayor, Hamlet of Pelly Bay
Lavinia Brown, Mayor, Hamlet of Rankin Inlet

ST. JOHN'S, Newfoundland

Wednesday, September 5, 1990

Government of Newfoundland and Labrador
Department of Works, Services and Transportation
The Honourable David Gilbert, Minister
W. T. Beckett, Director, Policy & Planning

Department of the Environment and Lands
The Honourable James Kelland, Minister
Claude L. Moreau, Executive Assistant

Glen Tobin, MHA (Burin-Placentia West), on behalf of the
Official Opposition Critic for Transportation, Robert J. Aylward;
Ronald Penney, Policy Advisor & Researcher

Memorial University of Newfoundland
Professor Mervin Andrews

City of St. John's
John Murphy, Mayor

MHA for the District of Stephenville
Kevin Aylward

Air Atlantic Ltd.
Ronald W. McCabe, General Counsel

Pippy Park Conservation Society
John C. Bear

Newfoundland and Labrador Chamber of Commerce
Linda Thomas, Chairman

MHA for the District of Placentia
William P. Hogan

Consumer Organization of Disabled People of
Newfoundland and Labrador
Eric Norman
Carmel Osborne

The Newfoundland and Labrador Federation of Students
Anne M. Whelan, Chairperson
Steve Fitzpatrick

Open Session

Donald B. Hurd, Green Party of Newfoundland and Labrador
Janet Parsons, Concerned Citizen
Steven McCarthy, Concerned Citizen
John Bear, Pippy Park Conservation Society

GOOSE BAY, Labrador

Thursday, September 6, 1990

Labrador North Chamber of Commerce

Peter Woodward, President

Enterprise Newfoundland and Labrador — Labrador Region

Harold Marshall

Combined Councils of Labrador

Susan Felsberg, Vice-President, Central Region

Deena Pardy, Co-ordinator

Town of Labrador City

Darrel J. Brenton, Mayor

Labrador West Tourism Development Corporation

Cecil E. Vincent

Town of Happy Valley — Goose Bay

Harry W. Baikie, Mayor

Henry (Hank) Shouse, Deputy Mayor

United Steelworkers of America, Local 5795

John Kingston

Perry Canning

Labrador Airways Ltd.

Warwick Pike, Vice-President & General Manager

Labrador Community Futures Committee

Peggy Lough, Co-ordinator

Jelle Terpstra, Member of the Executive

Mokami Regional Development Association

Herbert Brett, Co-ordinator

Robin Dupuis, Member of the Board of Directors

CHARLOTTETOWN, Prince Edward Island
Friday, September 7, 1990

Government of Prince Edward Island
Department of Transportation and Public Works
The Honourable Gordon E. MacInnis, Minister
Andrew Wells, Deputy Minister
Kenneth A. MacKenzie, Director, Transportation Division

Leader of the Official Opposition
The Honourable Leone Bagnall
Maurice Rodgers, Research Officer

Northumberland Ferries Limited
C. Mitchell McLean, President & CEO

Concerned Citizen, **Roy Ridlington**

Federation of Prince Edward Island Municipalities
Noel Wilson, Second Vice-President

Prince Edward Island Council of the Disabled Inc.
Anne Lie-Nielsen
Gerald MacDonald

Prince Edward Island Road Builders Association
Roger Perry, Secretary-Manager

Concerned Citizen, **Jean S. Klewin**

University of Prince Edward Island Student Union Inc.
Chris Larsen, Vice-President, External
Bob Smith, P.E.I. representative, Canadian Federation
of Students

Greater Charlottetown Area Chamber of Commerce
Dan R. Jenkins, Director & Chairman, Transportation
Committee

Harvey MacKinnon

Environmental Coalition of Prince Edward Island

Tony Reddin

Sharon Labchuk

Concerned Citizen, **Dr. Gustave Gingras**

Open Session

Mary Boyd, Director, Social Action Commission,
Roman Catholic Diocese of Charlottetown

Robert Perry, Island Rail Foundation

Edith Perry, Concerned Citizen

Louise Denault-Jones, Chairperson, Social Action
Commission, RCD of C

SYDNEY, Nova Scotia

Tuesday, September 11, 1990

MP for Cape Breton-The Sydneys

Russell MacLellan

MP for Cape Breton Highlands-Canso

Francis LeBlanc

Sydney Harbour Ports Regional Development Board

William B. Butler, Chairman

Steve Astephen, Vice-Chairman

Canadian Brotherhood of Railway, Transport and
General Workers

Lynn Pollock

Concerned Citizen, **Charles R. Lorway, Sr.**

Concerned Citizen, **Stewart Vair**

Industrial Cape Breton Board of Trade

John A. Morrison

Canadian Association for Community Living, Sydney Branch

Dr. Marion Mathieson, President

Concerned Citizen, **Dr. John Stevens**

Municipality of the County of Cape Breton

Joe Pat MacKinnon, Warden

Jim Cunningham, Chief Administrative Officer

University College of Cape Breton Students' Union Inc.

Robert J. MacLean

United Transportation Union — Canada, Nova Scotia

Legislative Board

N. Malcolm MacDonald, Chairman

Concerned Citizen, **Daniel A. MacRury**

Concerned Citizen, **Charlie Keagan**

Town of North Sydney

Michael H. White, Mayor

FREDERICTON, New Brunswick
Wednesday, September 12, 1990

Government of New Brunswick
The Honourable Frank McKenna, Premier
Doug Johnson, Department of Transportation
Walter Steeves, Department of Transportation
Keith Hicks, Department of Transportation

MP for Restigouche-Chaleur
Guy Arseneault

New Brunswick Chamber of Commerce
Rick LeBlanc, Chairman
David R. Miller, President, Atlantic Provinces
Chamber of Commerce

Conseil économique du Nouveau Brunswick inc.
Jean Aucoin, President
Jean Nadeau, Assistant Director
Jacques Savoie, First Vice-President

Canadian Brotherhood of Railway, Transport and General
Workers — Atlantic Region
Garry T. Murray, Regional Vice-President
Robert Dennis, Chairperson, Local 292, C.B.R.T. & G.W.

City of Saint John
Elsie Wayne, Mayor
Ralph B. Murray, Senior Transportation Policy Advisor

Save VIA Rail Committee
Elsie Wayne, Mayor of Saint John
Senator Charles P. Pray, President of Maine State Senate
Robert Dennis, C.B.R.T. & G.W. Local 292

City of Moncton
Leopold F. Belliveau, Mayor
Norman Crossman, Councillor
Al Galbraith, Councillor
Al Strang, City Manager
Catherine Dallaire, Public Relations

Youth Council of New Brunswick
Pascal Robichaud
Monique Leblanc

New Brunswick Progressive Conservative Party
Barbara Baird-Filliter, Leader
Bob Howie, Policy Group on Transportation
Bob Stevenson, Policy Group on Transportation

Concerned Citizen, **W. Terry McIntyre**

Open Session

H. J. Lafferty, Concerned Citizen
Dale Ferguson, Concerned Citizen
John C. Pearce, Concerned Citizen

FREDERICTON, New Brunswick
Thursday, September 13, 1990

City of Campbellton
Armand Doucette, Councillor

Transport 2000 Atlantic
Marcus Garnet
John C. Pearce

New Brunswick Federation of Labour
John McEwen, First Vice-President
Florence Robart, Executive Assistant

Canadian Federation of Students — New Brunswick
Chantelle Hanley
Kelly Lamrock
Tim Klaassen

Conservation Council of New Brunswick
David Coon, Policy Director

SMT (Eastern) Ltd.
Aubrey Morrell, Operations Manager

HALIFAX, Nova Scotia
Thursday, September 13, 1990

Tourism Industry Association of Nova Scotia
Ron Lane, President
Gordon Harmer, Chief Executive Officer

Atlantic Provinces Transportation Commission
Brian K. Wentzell, Chairman
Ramsay Armitage, General Manager

Halifax Board of Trade
Michael O'Hara, Chairman, Transportation Committee
Thomas W. L. Nisbett, Manager, Policy Development

Acadian Lines Limited
W. Brian Gillis, President

St. Francis Xavier University Students' Union
John R. Ratchford

HALIFAX, Nova Scotia

Friday, September 14, 1990

Government of Nova Scotia
Department of Transportation and Communications
The Honourable George Moody, Minister
L. L. Centa, Deputy Minister
D. J. MacDougall, Director, Transportation Policy

Canadian Pensioners Concerned Incorporated —
Nova Scotia Division
Myrna Slater, President
Nelson Amiro

City of Halifax
Ron Wallace, Mayor

McGuire Communications Ltd.
Walter H. Johnson, Senior Marketing Officer

Nova Scotia Chamber of Commerce
Irene d'Entremont, Chairman
Charles F. Mackenzie
William Vervoort

Leader of the Nova Scotia New Democratic Party
Alexa A. McDonough, MLA

Nova Scotia Safety Council
Sharon Rose, Public Relations Officer
Lloyd A. Mitchell, Executive Director

Air Nova Inc.
Joseph D. Randell, President
Ken Nathanson, Product Planner

Nova Scotia League for Equal Opportunities
Lewis Forbes, Chairperson
Linda Schnare, Interim Provincial Co-ordinator

WINNIPEG, Manitoba
Monday, September 24, 1990

Winnipeg Chamber of Commerce
M.L. (Buddy) Brownstone, President
J. A. (Sandy) Hopkins, Chairman, Transportation Council

Canadian Brotherhood of Railway, Transport and General
Workers — Prairie Region
Al Cerilli, Regional Vice-President
Gordon Jenkins
Gordon Barratt

City of Winnipeg
Chris Lorenc, Councillor
Dennis R. Lofto, Manager, Research & Policy Analysis Branch

MP for Winnipeg North Centre
David Walker

MP for Winnipeg-Transcona
Bill Blaikie

Concerned Citizen, **June K. Komadowski**

City of Brandon
Rick Borotsik, Mayor
Jeffrey W. Harwood, Councillor

Brandon Economic Development Board
Tom Wilson, General Manager

Norman Regional Development Corporation
Bette Winner, President
Léo Prince, Dept. of Rural Development, Government
of Manitoba
Bruce Unfried, Mayor of the Town of The Pas

Calm Air International Ltd.
Joseph D. Barnsley, Counsel

Churchill Development Board
Don Figurski, Executive Director

The Union of Manitoba Municipalities
Manson Moir, President

City of Thompson
Bill Comaskey, Councillor

Concerned Citizen, **Robert Goodwin**

Coalition of Provincial Organizations of the Handicapped
Laurie Beachell, National Co-ordinator
Doreen Demas
Mike Rosner
Dave Martin

Crossroads Resource Group
Dr. William R. Goddard
Kenneth Emberley

REGINA, Saskatchewan

Tuesday, September 25, 1990

Government of Saskatchewan
Department of Highways and Transportation
The Honourable Sherwin Petersen, Minister
Kim Graybiel, Senior Transportation Economist

Saskatchewan Association of Rural Municipalities
Daryl Chambers, Executive Director
Val Kononoff, Vice-President
Dave Andres, Director — Division No. 5

Rail Passenger Restoration Committee — Moose Jaw
Allan Gallagher
Don Mitchell
Gord Sharp
Lorne Calvert
Janet Hunchuk

Prairie Flying Service
R. J. (Bob) MacPherson

Saskatchewan Federation of Labour
Ted Boyle, Communications Officer

Concerned Citizen, **Allan Taylor**

City of Melville
Andy P. Broda, Alderman

The Roman Catholic Agriculture Co-ordinating Committee
Paul J. Brassard
George Burton
Keith A. Philander

Western Rail Passenger Restoration Committee
Don Mitchell, Councillor, City of Moose Jaw
Keith Knox, President, Transport 2000 Saskatchewan
Ted Grimm, Mayor, City of Medicine Hat
Andy P. Broda, Alderman, City of Melville
W. A. (Bill) Wells, Alderman, City of Regina

City of Regina
Doug Archer, Mayor

Regina Economic Development Authority
Gordon W. Staseson, Chairman

Canadian Automobile Association — Saskatchewan
Rosalina Weisbrod
Ralph Gerhardt

Open Session

Keith Knox, President, Transport 2000 Saskatchewan
Ralph Bergland, Saskatchewan Division of the Canadian
Council of the Blind

SASKATOON, Saskatchewan
Wednesday, September 26, 1990

Consumers' Association of Canada — Saskatchewan
Dr. Lou Hammond Ketilson
Margaret Crowle

Official Opposition Critic for Highways and Transportation
John Brockelbank, MLA (Saskatoon Westmount)

Northern Village of Cumberland House
Lennard Morin, Mayor
Chief Pierre Settee

MP for Moose Jaw-Lake Centre
Rod Laporte

Fédération des aînés Fransaskois
Jeanne Leblanc, President

City of Saskatoon
Morris T. Cherneskey, Alderman

Athabaska Airways Ltd.
Jim Glass, Manager of Marketing and Traffic

Canadian Pacific Pensioners' Association,
Moose Jaw Chapter
W. Gord Sharp
Al Chapman
Vic Myers

Saskatchewan Voice of the Handicapped
Bev Boehm, Project Co-ordinator

WINDSOR, Ontario
Wednesday, October 3, 1990

City of Windsor
John Millson, Mayor
Linda Greenaway, Special Projects Officer

Windsor & District Chamber of Commerce
Mark L. Jacques, Executive Director
John St-Aubin, Vice-Chairman, Standing Committee
on Transportation
Harry Fayer, Standing Committee on Transportation

Regional Municipality of Waterloo
Sally A. Thorsen, Commissioner, Dept. of Planning &
Development

Concerned Citizen, **Ihor Lapka**

University of Western Ontario Students' Council
Dean Beltsis, Vice-President, External Affairs
Jim Ramsay

City of Sarnia
Michael Bradley, Mayor

Ontario Convention and Visitors Association;
Windsor, Essex County & Pelee Island Convention and
Visitors Bureau
Jonathan Deneau

Town of St. Marys/North Mainline Committee
Harvey Dust

National Council of Women of Canada
Mary M. Stephens

University of Windsor
Dr. James Chacko, Social Science Research Unit

MP for Essex-Windsor
Dr. Steven Langdon

SUDBURY, Ontario
Thursday, October 4, 1990

MP for Timmins-Chapleau
Cid Samson

MP for Nickel Belt
John Rodriguez

N'Swakamok Native Friendship Centre
Patricia Rogerson, Assistant Director

Concerned Citizen, **Judge Guy Mahaffy**

Transport 2000 Ontario
John McCullum, President

Sudbury & District Labour Council
Barry Tooley, President

Ontario Convention and Visitors Association
J. Ross Kenzie, President

MP for Sudbury
Diane Marleau

Laurentian University
Dr. Charles Bélanger, President

Concerned Citizen, **W.A. Wilson**

Concerned Citizen, **Wendall Fisher**

Concerned Citizen, **Viki Mather**

Concerned Citizen, **Ron McNutt**

THUNDER BAY, Ontario
Friday, October 5, 1990

Official Opposition Associate Critic for Transportation
Joe Comuzzi, MP (Thunder Bay-Nipigon)
Umberto De Pretto, Legislative Assistant

Bearskin Airlines
Cliff Friesen, Executive Vice-President

Lakehead University
Dr. Robert Rosehart, President

New Democratic Party Critic for Transportation
Iain Angus, MP (Thunder Bay-Atikokan)

CP Rail Pensioners, Thunder Bay Chapter
Harvey L. Smyth, Secretary

City of Thunder Bay
Betty Kennedy, Alderman & Acting Mayor

Thunder Bay Economic Development Corporation
P. R. (Dick) Charbonneau

Northern Ontario Native Tourism Association
Ruth Corbett, Executive Director

Thunder Bay Chamber of Commerce
Rebecca Johnson, Executive Director
Bill Rankin
Gary M. Woodbeck

Quetico Centre
Cliff M. McIntosh, President
Warren Paulson

Concerned Citizen, **Joan E. Brigden**

QUEBEC CITY, Quebec
Monday, October 15, 1990

City of Quebec
Quebec Urban Community
Jean-Paul L'Allier, Mayor

Canadian Automobile Association — Quebec

Claude Pinault, Deputy Executive Director (Communications)

Brenda Sanfaçon, Public Affairs

Paula Landry

Chamber of Commerce and Industry of Metropolitan Quebec

Pierre Martin, President

Pierre Talbot, Executive Vice-President

Richard Morency, President, Transportation Committee

Conseil régional des transports de l'Est du Québec

Pierre Racine, President

Société de promotion économique du Québec
métropolitain

Pierre Boulanger, Industrial Commissioner

Conseil régional de concertation et développement
de la région de Québec

Gilles Paré, President

Jean-Marc Bissonnette, Research Officer

MP for Louis-Hébert

Suzanne Duplessis

Air Alliance Inc.

Gilles Filiatreault, President & CEO

Bernard Juteau, Manager, Marketing & Planning

Société de développement économique du Saint-Laurent

Marc Gagnon, Executive Director

Association des croisières-excursions du Québec

Réginald Caron, President

Association touristique Chaudière-Appalaches
Pierre Roberge, Executive Director

Les Ami-e-s de la Terre de Québec
Patrick Allaire
Richard Allaire

Gestion ferroviaire Québec-Portneuf inc.
Alain St-Amant, Vice-President

Corporation municipale de St-Antoine de l'Île-aux-Grues
Louise Dion-Roy, Mayor

Open Session

Richard Ste-Marie, Les Aînés en marche

RIMOUSKI, Quebec

Tuesday, October 16, 1990

Conseil régional de développement du Bas-Saint-Laurent
Paulette Griffin, President
Robert Gagné, Executive Director

Conseil régional de concertation et de développement
Gaspésie-Îles-de-la-Madeleine
Raymond Roy, Director
Yvon Forest, Executive Director

Rural Dignity of Canada
Cynthia Patterson, National Co-ordinator

City of Gaspé
Amédée Dumaresq, Mayor
Henri Bernier, Executive Director

Fédération des clubs de l'âge d'or de l'Est du Québec
Dominique Plante, Executive Director

VIA Rail Committee — Gaspésie
Robert Cormier

Rimouski Chamber of Commerce
Roland Bellavance, President
Jean-Louis Dionne, Executive Director

Conseil régional de développement de la Côte-Nord
Jacques Guitar, President
Jacques Chiasson, Development Officer

Comité régional de transport des Îles-de-la-Madeleine
Léonard Gaudet, President
Guy Boudreau
Jean-Yves Thériault

Conseil régional de l'environnement de l'Est du Québec
Roland Braun, Director

Open Session

Dr. Robert Maguire, Director, division de la santé
publique, département de santé communautaire,
Centre hospitalier régional de Rimouski
Philippe Michaud, Mayor, City of Rimouski

CHICOUTIMI, Quebec
Wednesday, October 17, 1990

City of Chicoutimi
Ulric Blackburn, Mayor
Denis Dahl
Clément Vaillancourt

Chicoutimi Chamber of Commerce
Clément Martel, President

Accès-Bleuets
Céline Nepton, Executive Director
Marc Pettersen, Director

City of Jonquière
Gilles Marceau, Mayor
Raymond Gagnon
Donald Morissette

MONTREAL, Quebec
Wednesday, October 24, 1990

Conseil régional de développement de
l'Abitibi-Témiscamingue
Gérald Lemoyne, President
Louis-Marie Martin, President — Rail Transportation
Committee
Marcel Jolin, Executive Director

Union des municipalités du Québec
Pierre Prévost, Director of Research and Development
Jacques Martin, Mayor of Joliette

Transport 2000 Québec
Guy Chartrand, President
Marie Beemans, Vice-President

Kéroul — Tourisme pour personnes à capacité physique
restreinte
André Leclerc, Executive Director

City of Mirabel
Hubert Meilleur, Mayor

Corporation de développement économique de Mirabel
Jean-Luc Riopel, Industrial Commissioner

Quebec Union for the Conservation of Nature
Christian Simard, Executive Director
Daniel Lytwynuk, Vice-President (Research), Groupe
de recherche appliquée en macro-écologie

Rail Travel Centre Tours
Carl Fowler, Manager

Montreal Board of Trade
Alex Harper, Executive Vice-President

Association Québécoise de loisir pour personnes
handicapées
Carolle Hamel, Executive Director

South Shore University Women's Club
Dr. P. Anne Bradley
Susan Woodruff
Shirley Ann Casement

Open Session

Don Wedge, "We Act" (Environmental Advocacy Group)
Gilles Legault, Les entreprises ferroviaires du Canada inc.

MONTREAL, Quebec
Thursday, October 25, 1990

Lavalin Inc.
Pierre Camu, Senior Consultant
Luc Couture, Transport Engineer
Marc Girardin, Lalonde, Valois, Lamarre, Valois & Associés Inc.
André Gendreau, Lalonde, Valois, Lamarre, Valois
& Associés Inc.

Post Graduate Students' Society of McGill University Inc.
Eric Darier, Vice-President, External

Association des propriétaires d'autobus du Québec
Sylvain Langis, President
Guy Poliquin
Jacques Guay

Association Québécoise du transport et des routes inc.
Dr. Claire Laberge-Nadeau, President
Pierre Perron, Vice-President
Pierre Asselin

City of Montreal;
Montreal Urban Community
Jean Doré, Mayor
Robert Perreault, Vice-President, Executive Committee
Richard Brunelle, Councillor

Centre for Research on Transportation (CRT),
University of Montreal
René Simard, Vice-Rector, Academics and Research
Gilbert Laporte, Director, CRT
Christian Lardinois, General Secretary, CRT
Georges G. Dionne, Department of Economics, U of M

Chamber of Commerce of Metropolitan Montreal;
Société de promotion des aéroports de Montréal
Nicol Pageau-Goyette, President
Luc Lacharité, Executive Vice-President

City of Dorval
Peter B. Yeomans, Mayor

Corporation de développement des Laurentides inc.
Claude Ducharme, Executive Director

SNC Group Inc.

Jean-Paul Gourdeau, Chairman of the Board

Robert Racine, Director, Public Affairs

Richard G. Paris, Manager, Transport

City of Laval

Gilles Vaillancourt, Mayor

Richard Courey, Laval Transport Commission

David Avrom Shtern, Concerned Citizen

Ivan F. Johnston, Concerned Citizen

Pierre Larouche, Concerned Citizen

SHERBROOKE, Quebec

Friday, October 26, 1990

City of Sherbrooke

Claude Cinq-Mars, Head, Engineering Division

Société de développement économique du

Sherbrooke métropolitain

Luc Fournier

Office des personnes handicapées du Québec

Gaston J. Perreault, President & CEO

Sylvie Godbout, Member of the Board of Directors

Lise Constantin, Head, Policy Analysis Division

Village of Stanstead Plain

Edward Hyatt, Mayor

Theodore Holt

Massawippi Trail
Michael Grayson
Keith Baxter
Jacques Robidas

Regroupement des usagers du transport adapté de
Sherbrooke métropolitain

Gilles Coutu, President
France Coutu, Secretary
Jana Létourneau
Richard Vézina
Normand Guyon
Sylvie Godbout
Jean Beloin
Réjean Rouleau

Association du transport écolier du Québec

Jean-Pierre Roy, Legal Counsel
Serge Lefebvre, Vice-President

CALGARY, Alberta

Wednesday, October 31, 1990

Calgary Transportation Authority
Donald M. Brownie, Executive Director
John E. Burns, Chairman

McDougall & Secord Limited
John R. McDougall, President & General Manager

Asea Brown Boveri Inc.
Eric Kocher, President of ABB Transportation GmbH
René Marcoux, Vice-President, Corporate Business Relations

Greyhound Lines of Canada Ltd.

John A. Munro, Senior Vice-President, Marketing &
Operations

Roger Pike, Vice-President, Planning

Concerned Citizen, **W. H. Wilson**

Canadian Pacific Hotels & Resorts

Ivor Petrak, Senior Vice-President, Resort Development

Canadian Urban Transit Association

Al Cormier, Executive Vice-President

H. O. (Heinz) Schweinbenz, General Manager & COO,
BC Transit

Tourism Industry Association of Alberta

Phil Gifford, Vice-President, Government Relations

The Environmental Mediation and Arbitration Group

Harry Zuurbier, Senior Mediator & Arbitrator

Ulrich Banner, Senior Mediator & Arbitrator

Canadian Parks and Recreation Association

John Simonot

EDMONTON, Alberta

Thursday, November 1, 1990

Government of Alberta

Department of Transportation & Utilities

The Honourable J. Allen "Boomer" Adair, Minister

Harvey M. Alton, Deputy Minister

June A. MacGregor, Assistant Deputy Minister,
Planning & Development Division

Raymond C. Bassett, Executive Director, Policy
Development Branch

Peter H. Dawes, Senior Policy Advisor, Surface
Passenger Development

City of Edmonton

John Schnablegger, General Manager, Transportation Dept.

Official Opposition Critic for Transportation

Jerry Doyle, MLA (West Yellowhead)

Facing the Future Inc.

M. J. (Mike) Hollinshead, President

Alberta Federation of Labour

Don Aitken, President

Winston Gereluk, General Services Director

Alberta Roadbuilders and Heavy Construction Association

Ron M. McFarland

E. S. (Earl) Everall, President & CEO of Everall
Construction Limited

Alberta Council on Aging

Chris Bellchamber, Member of the Board of Directors

Christine Lawrence, Executive Director

City of Fort McMurray

E. C. M. (Betty) Collicott, Mayor

City of Red Deer

Tim Guilbault, Alderman

Bryon C. Jeffers, Director of Engineering Services

Alan Scott, Manager, Economic Development Dept.

R. Gary Klassen, Associate Planner, Red Deer Regional
Planning Commission

Terry M. Dew, President, TMD Consulting

Town of Vegreville

Kay McKenzie, Mayor

Inge Moore, Economic Development Officer

Transport 2000 Canada, Alberta Branch

Professor John J. Bakker, President

Alberta Committee of Disabled Citizens

Donna Dhaliwal, Member of the Board of Directors

William H. Downer, Managing Director

Institute of Transportation Engineers, District 7 Canada

Dr. William J. Sproule, Associate Professor, Dept. of Civil
Engineering, University of Alberta

EcoCity Society

Tooker Gomberg

GRANDE PRAIRIE, Alberta

Friday, November 2, 1990

City of Grande Prairie

Dwight E. Logan, Mayor

Kelly Daniels, City Manager

Gerald J. Clark, Director, Administrative Services

Greg Varricchio, Administrator, Planning Development

Grande Prairie and District Chamber of Commerce

Bruce Little

Terry Tissington

Mackenzie Regional Planning Commission

Starr Bulmer, Member of the Executive Committee

Tom Baldwin, Executive Director

Trumpeter Regional Initiative Project
Alan Robertson, Executive Director

Town of Fort Nelson
Fort Nelson-Liard Regional District
Frank Parker, Mayor

Wapiti Aviation Ltd.
Dale Wells, Vice-President

Rainbow Connection Highway Society
Mike Mihaly, Secretary-Treasurer

Peace Air Ltd.
David W. (Bill) Mitchell
Robert Grose

TORONTO, Ontario
Tuesday, November 13, 1990

Asea Brown Boveri Inc.
Peter S. Janson, President & CEO
Zelko Lendich, Senior Business Analyst

Northumberland Passenger Task Force
Terrance P. Stopps
Christine Stewart, MP (Northumberland)
Joan E. Chalovich, Deputy Reeve, Town of Cobourg
Joan Fawcett, MPP (Northumberland)
William W. Carrick, Town of Port Hope

Air Ontario Inc.
Thomas J. Syme, Executive Vice-President, Commercial
Services

Canadian National Railways

Brian R. D. Smith, Chairman

Ronald E. Lawless, President & CEO

John Sturgess, Senior Vice-President & COO

B. Eldon Horsman, Vice-President, Planning & Co-ordination

Board of Trade of Metropolitan Toronto

James T. Murphy, Assistant Manager, Education and
Urban Affairs Department

Ed Levy, Transportation Committee

Trevor Carnahoff, Vice-Chair, Airport Committee

Canadian Paraplegic Association

Gregory Pyc, Co-ordinator of Public Affairs

Alliance of Canadian Travel Associations

William H. "Bill" Maguire, National Vice-President

Douglas C. Crozier, Legal Counsel

Greater Peterborough Economic Council

John Bowes, Chairman, Municipal Affairs Committee

Vic E. Henderson, Secretary-Treasurer

Bill Domm, MP (Peterborough)

Concerned Citizen, **Richard M. "Dick" Mathieu**

Motor Vehicle Manufacturers' Association

Norman A. Clark, President

Mark A. Nantais, Executive Director, Committees

Tayce A. Wakefield, Director of Government Relations,
GM of Canada

Consumers' Association of Canada (Ontario)

Joan Huzar, President

Wendy Butler, Member of the Board of Directors

Open Session

George Bechtel, Concerned Citizen

Anne Musgrave, Trans-Action Coalition and Persons

United for Self-Help in Ontario

Harry Fields, Trans-Action Coalition

Anthony C. Smith, Concerned Citizen

R. E. Barron, Concerned Citizen

Joen Kosak, Concerned Citizen

Edward P. Banninga, Concerned Citizen

Kevin J. Egan, Concerned Citizen

TORONTO, Ontario

Wednesday, November 14, 1990

Canadian Airlines International Ltd.

Rhys T. Eyton, Chairman, President & CEO

Roland Dorsay, Special Advisor, International Affairs

Peter C. Wallis, Vice-President, Government and
Regulatory Affairs

Ontario Motor Coach Association

Brian E. Crow, President & CEO

James J. Devlin, President, Trentway-Wagar (Properties) Inc.

Robert B. Warren, Legal Counsel

CP Rail

I. Barry Scott, Chairman & CEO

Concerned Citizen, **Ross G. Snetsinger**

City of Toronto

Art C. Eggleton, Mayor

Howard Levine, Councillor

Greg Gormick

Canadian Rehabilitation Council for the Disabled
Nancy Christie, National Executive Director

Canadian Association of Tour Operators
Jill Wykes, Executive Director
Dennis A. Gill, Chairman, Government & Industry Affairs
William F. (Bill) Clark, Legal Counsel

Canadian Airports Limited
Alan R. Marchment, Chairman
Chris C. Barlow, President

City of London
Tom Gosnell, Mayor
Jack Burghardt, Deputy Mayor

Pollution Probe Foundation
David McRobert, Program Co-ordinator

Toronto Airways Limited
Michael C. Sifton, President

Ontario Traffic Conference
Douglas T. Crosbie, Secretary

Blyth & Company
Sam Blyth, CEO

OTTAWA, Ontario
Thursday, November 15, 1990

Air Canada
Claude I. Taylor, Chairman, President & CEO

Consumer and Corporate Affairs Canada

Bureau of Competition Policy

Howard I. Wetston, Director of Investigation and Research

Michael W. Tretheway, Centre for Transportation Studies,
University of British Columbia

Louis P. Parent, Senior Commerce Officer, Regulatory
Affairs Branch

Richard Annan, Senior Commerce Officer

Canadian Bus Association

J. David Long, Executive Director

Robert N. Parke, Senior Vice-President, Government &
Industry Relations, Greyhound Lines of Canada Ltd.

W. Brian Gillis, President, Acadian Lines Limited

Don Haire, President, Voyageur Colonial Limited

Association of Consulting Engineers of Canada

Pierre A. H. Franche, President & COO

Anthony W. Burges, Director of Communications

Bombardier Inc.

Laurent Beaudoin, Chairman & CEO

Raymond Royer, President & COO

Canadian Labour Congress

Dick Martin, Executive Vice-President

Andrew Jackson, Senior Economist

Canadian Railway Labour Association

Edward G. Abbot, Executive Secretary

MP for Kenora-Rainy River

Robert Nault

General Motors of Canada Limited, Diesel Division
Bruce B. Johnson, Accounts Manager, Passenger &
Transit Authorities

R. E. (Rob) Wright, Locomotive Area Manager

Ralph G. Vint, General Supervisor — Purchasing

Canadian Brotherhood of Railway, Transport and General
Workers — National Office

R. A. (Dick) Gingerich, National Secretary-Treasurer

Kevin Collins, Research Director

Transport 2000 Canada

Harry Gow, National President

Darrell Richards, Vice-President (East)

Friends of the Earth

Tom O'Brien

Canadian Hard of Hearing Association

A. F. (Al) Bowden, First Vice-President

Ottawa-Carleton Board of Trade

Michael Teeter, Chairman, National Affairs Committee

F. H. (Joe) Howard, Consultant

F. Keith McGruer, President & GM, Ottawa-Carleton
Economic Development Corporation

Commercial Travellers' Association of Canada

Fred E. Finlayson, Chairman, Government Relations Committee

Terry J. Ruffell, General Manager & Secretary

Rosalind E. Franklin, Co-ordinator, Government &
Public Relations

Federation of Canadian Municipalities

Ray O'Neill, Councillor for the City of St. John's

Jacques Dupuis, Mayor of Repentigny

Sierra Club of Canada
Sheila G. Purdy, Legal Counsel
Heather Hamilton

Air Transport Association of Canada
Gordon M. Sinclair, President & CEO

MP for Ottawa West
Marlene Catterall

OTTAWA, Ontario
Friday, November 16, 1990

Canadian Business Aircraft Association Inc.
Ronald E. Chafe, President & CEO

Regional Municipality of Ottawa-Carleton
Louis Shallal, Director, Transportation Planning
Pamela Sweet, Director, Policy & Programs Division
Jean Paré, Planner, Policy & Programs
Greg Kent, Head, Transportation Modelling &
Forecasting Section

Brotherhood of Locomotive Engineers — National Office
C. George Hainsworth, Vice-President
Stanley A. Warner, Vice-President & Canadian Director

City of Ottawa
Lynn Smyth, Alderman and Deputy Mayor
Charlene Lambert, Department of Economic Development

VIA Rail Canada Inc.
Lawrence Hanigan, Chairman of the Board
James Roche, Executive Vice-President & COO

Canadian Human Rights Commission
Maxwell Yalden, Chief Commissioner
John Hucker, Secretary General

Canadian Air Traffic Control Association
A. Carl Fisher, President
Herb J. Brennen, Managing Director

United Transportation Union — Canada
Roy A. Bennett, National Legislative Director

Canadian International Association of Machinists and
Aerospace Workers
Louis Erlichman, Research Director for Canada
R. L. (Bob) Biggar, Administrative Assistant
Tom Steele, Grande Lodge Representative

Canadian Automobile Association
Michael McNeil, President
Rolf Calhoun, Vice-President
David Leonhardt, Manager, Public Affairs Services
Peter Frayne, Director, Information Services

National Capital Commission
Graeme M. Kirby, Executive Vice-President and
General Manager
Arto S. Keklikian, Senior Planner, Transportation

VICTORIA, British Columbia
Wednesday, December 5, 1990

City of Victoria
Geoffrey Young, Alderman

Grey Goose Corporation Limited
Bernard M. Thiessen, President

B. C. Ferry and Marine Workers' Union
Lee Cochran, President

Greater Victoria Chamber of Commerce
Bob Taylor, Vice-President & Chairman of Operation

Greater Victoria Economic Development Commission
Ken Stratford, Commissioner

Citizens Association to Save the Environment
Derrick Mallard, President

Institute for Integrated Energy Systems, University of Victoria
Dr. David S. Scott, Director

Tourism Victoria
Lorne Whyte, CEO

British Columbia Automobile Association
John H. Ratel, Director of Government Affairs, and
District Manager Vancouver Island

B. C. Association of Indian Friendship Centres
Ian Hinksman

British Columbia Railway Historical Association
Paul J. Crozier Smith, President

Sierra Club of Western Canada
David White

VANCOUVER, British Columbia
Thursday, December 6, 1990

Vancouver Task Force on Atmospheric Change
Michael Brown

West Coast Railway Association

Philip D. Pool

British Columbia Coalition of People with Disabilities

Margo A. Massie, President

Robin Loxton, Community Advocate

Western Transportation Advisory Committee

B. Maureen Melville, President

Paul G. Ouimet, Vice-President & Corporate Secretary

Concerned Citizen, **Robert H. Tivy**

Greater Vancouver Regional District

Kenneth P. Stubbs, Environment Analyst

Centre for Transportation Studies, University of
British Columbia

Professor Trevor D. Heaver, Director

Professor Tae H. Oum

Professor W. G. (Bill) Waters II

CAW — Canada

Stan A. Horodyski, National Representative

Mike Henry, Chairman, Lodge 773 of Local 100

George Masters, Vice-Chairman, Lodge 773 of Local 100

Transport 2000 British Columbia

David Stubbs, President

City of Port Moody

David Driscoll, Mayor

PRINCE GEORGE, British Columbia

Friday, December 7, 1990

Prince George Region Development Corporation

Dale McMann, Manager

City of Prince George

George Paul, City Manager

Prince George Airport Advisory Committee

J. J. (Jerry) Deere

Marlene Juell

Regional District of Fraser — Fort George

David N. Wilson, Administrator

R. P. (Bob) Balcaen, Director

Canadian Union of Transportation Employees, Local

#1, Locomotive Engineers

Rob Pasowicz, General Manager

Canadian Council of the Blind, B.C. — Yukon Division

Stanley E. Bradshaw, President

MP for Prince George-Bulkley Valley

Brian Gardiner

Handy Circle Promotions Society

Vivienne Candy, President

Sheila Randall-Stevens, Director

Prince George Chamber of Commerce

Ron T. Neukomm

Leyla Szabo, President

Northern Mountain Helicopters Inc.

Mark Gilbert, Assistant Operations Manager

Finlay Navigation Ltd.

John K. Harding, President

Nechako Environmental Coalition

Dr. Peter D. Carter

Village of Telkwa

Greg Fortune, Mayor

APPENDIX D

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Executive Assistant

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Mary Anne Comber

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POLICY AND PLANNING

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Pierre Dulude

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Director

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ADMINISTRATIVE SERVICES

Director

Nina-Maria Butcher

Resource Centre

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Laura Simmermon

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Finance

Patricia Rutt, Manager

Patricia Di Pietrantonio

Stephen Molloy

Office Management

Rollande Eckford

Support Staff

Yolande Larocque

Estelle Lord (Edmonton office)

Micheline Mousseau

Joan Thomson

Jean Villeneuve

SPECIAL ADVISORS

Joan E. Philip, Foxborough Consulting Group Inc.

R. Anne Patterson, Patterson Kirk Wallace

Richard Lake, Research and Traffic Group

David W. Gillen

WRITERS/EDITORS

Astroff Corkum Ross Associates Inc.

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